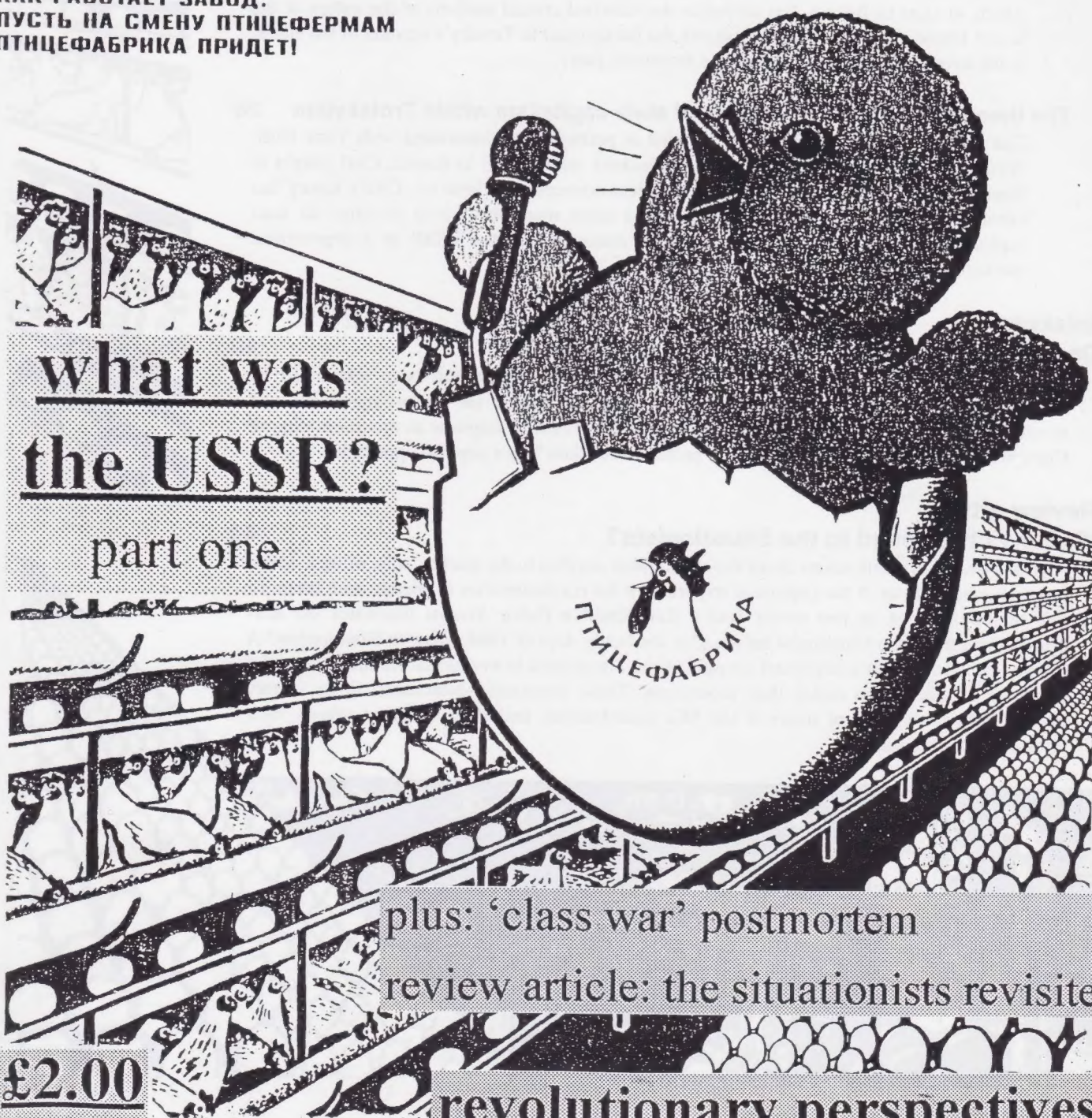


autumn 1997

no. 6

# Aufheben

НАДО БРАТЬ С ТОГО ПРИМЕР НАМ,  
КАК РАБОТАЕТ ЗАВОД.  
ПУСТЬ НА СМЕНУ ПТИЦЕФЕРМАМ  
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what was  
the USSR?  
part one

plus: 'class war' postmortem  
review article: the situationists revisited

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revolutionary perspectives



# Contents

## Editorial

1

### What was the USSR? Towards a theory of the deformation of value under state capitalism

4

The Russian Revolution and the subsequent establishment of the USSR as a 'workers' state', has dominated political thinking for more than three generations. In the past, it seemed enough for communist revolutionaries to define their radical separation with much of the 'left' by denouncing the Soviet Union as state capitalist. This is no longer sufficient, if it ever was. Many Trotskyists, for example, now feel vindicated by the 'restoration of capitalism' in Russia. To transform society we not only have to understand what it is, we also have to understand how past attempts to transform it failed. In this issue and the next one we shall explore the inadequacies of the theory of the USSR as a degenerated workers' state and the various versions of the theory that the USSR was a form of state capitalism.

### Trotsky's theory of the Soviet Union as a degenerated workers' state

7

In this section, we examine Trotsky's theory of the USSR as a degenerated workers' state, which, at least in Britain, has served as the standard critical analysis of the nature of the Soviet Union since the 1930s. We sketch the background to Trotsky's account of the USSR in the struggles within and beyond the Bolshevik party.

### The theory of the USSR as a form of state capitalism within Trotskyism

26

The theory of the USSR as state capitalist is perhaps most associated with Tony Cliff. While radically revising the Trotskyist orthodoxy with regard to Russia, Cliff sought to remain faithful to Trotsky's broader theoretical conceptions. However, Cliff's theory has often been used by orthodox Trotskyists as a straw man with which to refute all state capitalist theories and sustain the orthodox conception of the USSR as a degenerated workers' state.

## Intakes:

### Death of a Paper Tiger... Reflections on Class War

40

Class War's attempt to break out of the anarchist ghetto, which had been dominated by eccentrics and liberal pacifists, has had a profound impact on many anarchists and revolutionaries. In this issue's *Intake* we have a piece written in response to the disbanding of Class War which looks at the fundamental problems of Class War's populist approach.

## Review article:

### Whatever happened to the Situationists?

43

A steady trickle of publications about the situationists testifies to the market value of their ideas, but it also reminds us of the continued requirement for revolutionaries to engage with them. In this review we look at two recent books. Ken Knabb's *Public Secrets* illustrates the self-obsessed nature of the situationist milieu after the heady days of 1968. *What is Situationism?* A Reader includes Barrot's important critique of the Situationist International for their one-sided emphasis on circulation rather than production. These historically-determined limits cannot detract from the vitality of many of the SI's contributions, including, amongst others, their critique of 'the militant'.





# Editorial

If nothing else, New Labour's landslide victory last May has brought into sharp focus the crucial issue of the crisis and retreat of social democracy. The retreat of social democracy has been gathering pace for several years now; and it is a phenomenon which is not merely confined to Britain but one that has world-wide significance. Yet although this retreat of social democracy is profoundly altering the terrain of class struggle, opening up new dangers and possibilities, it is an issue that has not been adequately addressed by revolutionaries. Instead it has remained an issue that has haunted both our practical and theoretical political activity. It used to be a major revolutionary task to oppose the left's role of recuperating working class struggle into social democratic channels. Now that capital has itself undermined the credibility of such 'leftist' manoeuvres - what does this mean for us?

In the next edition of *Aufheben* we plan to confront this central issue of our time. We shall begin by exploring the historical context of the rise and fall of social democracy both in Britain and elsewhere and consider how this has given rise to Tony Blair's New Labour. We shall then consider the prospects of New Labour and the implications of the decline of social democracy for the future of class struggle both here and abroad. However, lest our readers become a little restive at waiting for our thoughts on this pressing matter we shall make a few preliminary remarks here which will serve to sketch out the outlines of our forthcoming analysis.

## Some preliminary remarks on the crisis and retreat of social democracy and New Labour

Of course, of all the major capitalist powers it is perhaps the USA where 'neo-liberalism' has gone the furthest. The dismantling of the welfare state, the criminalization of the poor and unemployed, declining real wages and the introduction of flexible labour regimes have all accelerated in Clinton's America. Yet social democracy, particularly its political expression, was never as strong in the USA as it was Europe. In Europe it is Britain, after twenty years of Thatcherism, that has gone the furthest in emulating the USA, and it is in Britain where we can see the crisis and retreat of social democracy most clearly with the victory of Tony Blair.<sup>1</sup>

Tony Blair, and his fellow so called modernizers, have made no secret of the fact that they want to consign social democracy, which they designate as 'Old Labour', to the past. Having already jettisoned Clause Four of Old Labour's constitution,<sup>2</sup> distanced himself from the trade unions and re-positioned the Labour Party to the right of the Liberal Democrats, Tony Blair has gone a long way in transforming the Labour Party into a new Liberal Party,<sup>3</sup> restoring the old bourgeois division of British politics before the rise of Labour Party, and with it the political representation of the working class, at the beginning of this century.

Now, having won such a convincing election victory, the way seems open for Tony Blair to completely marginalize the last remnants of social democracy within the Labour Party.<sup>4</sup> As such Tony Blair is completing one of Thatcher's great aims, the eradication of 'socialism' from the mainstream of British politics. Indeed, in many respects Tony Blair is Thatcher's true heir, as he himself readily admits when he expresses his admiration for her. To understand New Labour and the decline of social democracy in Britain it is necessary to consider the rise of Thatcherism.

Compared with much of mainland Europe, Britain escaped much of the devastation caused by the Second World War. This, combined with Britain's continued legacy from her imperial past, meant there was neither the opportunity nor incentive for British capital to radically refashion the social relations of production. In the post-war era Britain

<sup>1</sup>In some ways the attack on social democracy has gone further in the UK than in the USA. For example, the sacking of the 500 Liverpool dockers would have been illegal in the USA; while the solidarity action taken by American dockers would have been illegal in Britain, since it would have been regarded as secondary action. It should also be noted that Clinton's new Democratic Party has recently prompted a renewed trade union activism that is less inclined to lobby Congress and is more committed to building a militant rank and file trade unionism. We shall have course to examine the possible renewal of social democracy in our next issue.

<sup>2</sup>With a rather poetic vagueness, Clause Four committed the Labour Party to the extension of public ownership of the means of production and exchange. It was originally written into the constitution in 1918 as means of heading off the growing revolutionary demands within the labour movement which had been given added impetus by the Russian Revolution. From that time onwards Clause Four has taken by the left as ultimately committing the Labour Party to socialism. In rewriting Clause Four, Blair has sought to make it quite clear that New Labour had abandoned commitment to 'socialism' and social democracy.

<sup>3</sup>Of course it could be argued that if Blair has his way, and if the Tories die out or become an extreme right-wing nationalist party, New Labour is more likely to end up as the new Conservative Party!

<sup>4</sup>The shift to the right by the New Labour Party is perhaps clearly demonstrated by the recent debate between Roy Hattersley and Gordon Brown - the new Labour Chancellor of the exchequer. A few years ago Roy Hattersley was considered as being on the right of the Party. However, his continued belief in using tax and welfare policies to ensure a minimal amount of redistribution of wealth now seems to place him on the far left of the Party!



never fully adopted Fordism. Instead British industrial capital remained content to maintain outdated production methods and working practices. Thus, whereas Germany, France and Italy all experienced rapid economic growth and transformation during the 1950s and '60s, Britain continued its long term relative economic decline.

As a consequence, British capital was ill-placed to weather the upsurge in class struggle and the crisis in capital accumulation which broke out in the late 1960s. By the late 1970s the British ruling class faced a dire situation. Following the miners' strike of 1974, which had brought down the Heath government, there were increasing fears that it would not be long before the government would be unable to govern, and management unable to manage, in the face of the 'sheer bloody-mindedness' of the working class. It was as a last desperate attempt to resolve this growing political and economic crisis in the favour of British capital that Thatcherism took shape.

Social democracy, as the political and economic representation and integration of labour within capital and the bourgeois state, had played a central role in the construction of the post-war settlement. Social democracy provided the basis of the class compromise, established through the post-war settlement, in which the working class gave up all hope of revolution in return for improved housing, health care, the welfare state, and above all a commitment to full employment. However, while the post-war settlement had provided the relative social peace that served as the basis for the post-war economic boom, with the onset of the crisis of capital accumulation and the upsurge of class struggle in the 1960s, it had become an increasing burden on the capitalist class and served to strengthen the hand of the working class.

Armed with monetarism, Thatcher set out to radically reshape the post-war settlement in favour of capital. To do this she not only sought to attack and marginalize social democracy but also the social democratic consensus through which the post-war settlement had been constructed. Through mass unemployment, a succession of anti-strike laws and carefully staged industrial disputes, Thatcher not only succeeded in inflicting serious defeats on the working class but also broke the power of the trade unions as mediators in the sale of labour-power. Yet in order to carry out this barely disguised class war Thatcher had also to overcome the reluctance of those fainthearts in her own camp who still clung to the certainties of the old class compromise.<sup>5</sup> As a result, Thatcher's rule was marked not only by confrontation but also by the increasing concentration of political power.

Ironically Thatcher's success can be seen to be rooted in the previous success of social democracy. During the post-war era, social democracy had succeeded in demobilizing large sections of the working class but in doing so had come to undermine its very own basis. Thatcher was able to exploit the gap between the aspirations of individual working class people and their collective representation. While she launched uncompromising attacks on the bastions of trade union militancy, wages for the majority of workers were allowed to outstrip inflation. Collective action was everywhere punished while individualism was encouraged.

Yet Thatcher's populism, which was centred around the illusion of the 'property and share-owning democracy' in which everyone could feel that they were a capitalist, could not last long beyond the late 80s economic boom. Thatcher's refusal to take heed of warnings from outside her by now narrow circle of advisers ultimately led to her downfall with the mass revolt against the poll tax. In succeeding Thatcher, John Major sought to press on with Thatcherism but with a different presentation. However, despite weathering the depths of early 90s recession, Major's weak leadership eventually left him unable to cope with the growing splits in the Tory Party as the Thatcherite project became exhausted.

The recession of the early 1990s, and, until recently, the subsequent jobless boom which seemed to benefit no one other than the fat cats of the privatized utilities and the city speculators, brought home the bitter fruits of Thatcherism. With job insecurity reaching the very heart of the middle classes there came a growing disillusionment with the Tory policies of social division and crass individualism. It was through mobilizing this widespread disillusionment with the Tories that Blair was able to win his landslide victory.

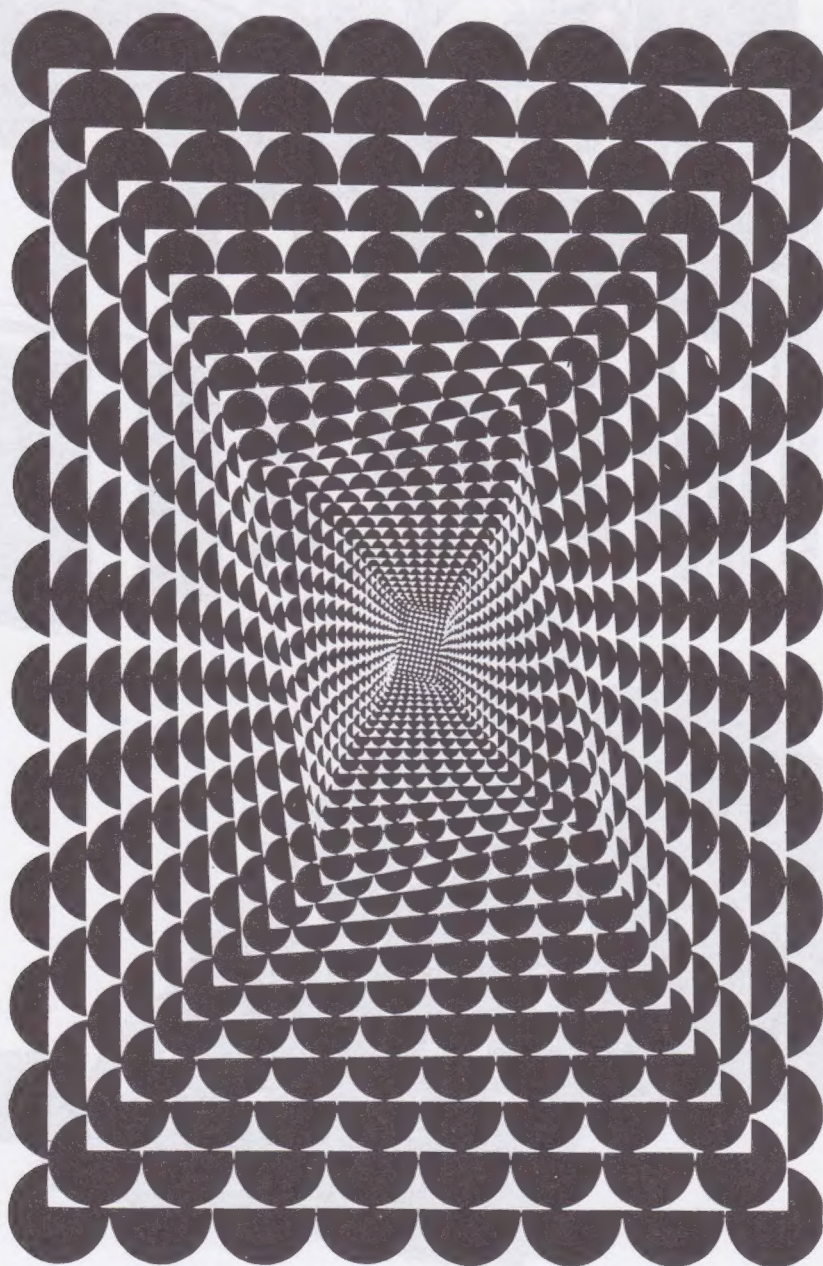
As the first months of the new government has confirmed, New Labour is committed to maintaining much of the Conservative economic and authoritarian social policies of the previous government. However, Blair is seeking to build a new social consensus around the *de facto* class compromise established after Thatcher. Thus instead of pushing through reforms with little regard to any opposition, New Labour seeks consultation. Instead of concentrating power in order to push through unpopular measures, New Labour is concerned with devolving power, as we can see in their plans for radical constitutional reform. Blair then, in consolidating the Thatcher revolution, is the true heir to Thatcher.

<sup>5</sup> Having won power, Thatcher proceeded to purge what she saw as the 'wets' in the Conservative Party who were wary of her policy of confrontation. At the same time the main employers' organization, the Confederation of British Industry, which had represented British capital in the various corporatist forums set up in the post-war era, was displaced by the more Thatcherite Institute of Directors.



So what are the prospects for New Labour: and what are the prospects for social democracy? The continuing success of Blair's government depends crucially on relative social peace and economic prosperity. Of course, it could be argued that the crisis of capitalism which broke in the late 1960s with the upsurge in working class struggle, and which led to the radical restructuring of capital in the subsequent decades, has been more or less resolved. The working class has everywhere been beaten back, while the huge imbalances caused by the restructuring of capital which emerged in the 1980s in the form of both the huge US budget and trade deficits and in an enormous overhang of Third World debt, have been unwound. If this is the case, Blairism would seem to fit the needs of the bourgeoisie in this period of social and economic quietude. However, even if the world-wide crisis of capitalism has been resolved for the time being, this does not mean that the long-term relative decline in British capitalism has been arrested.

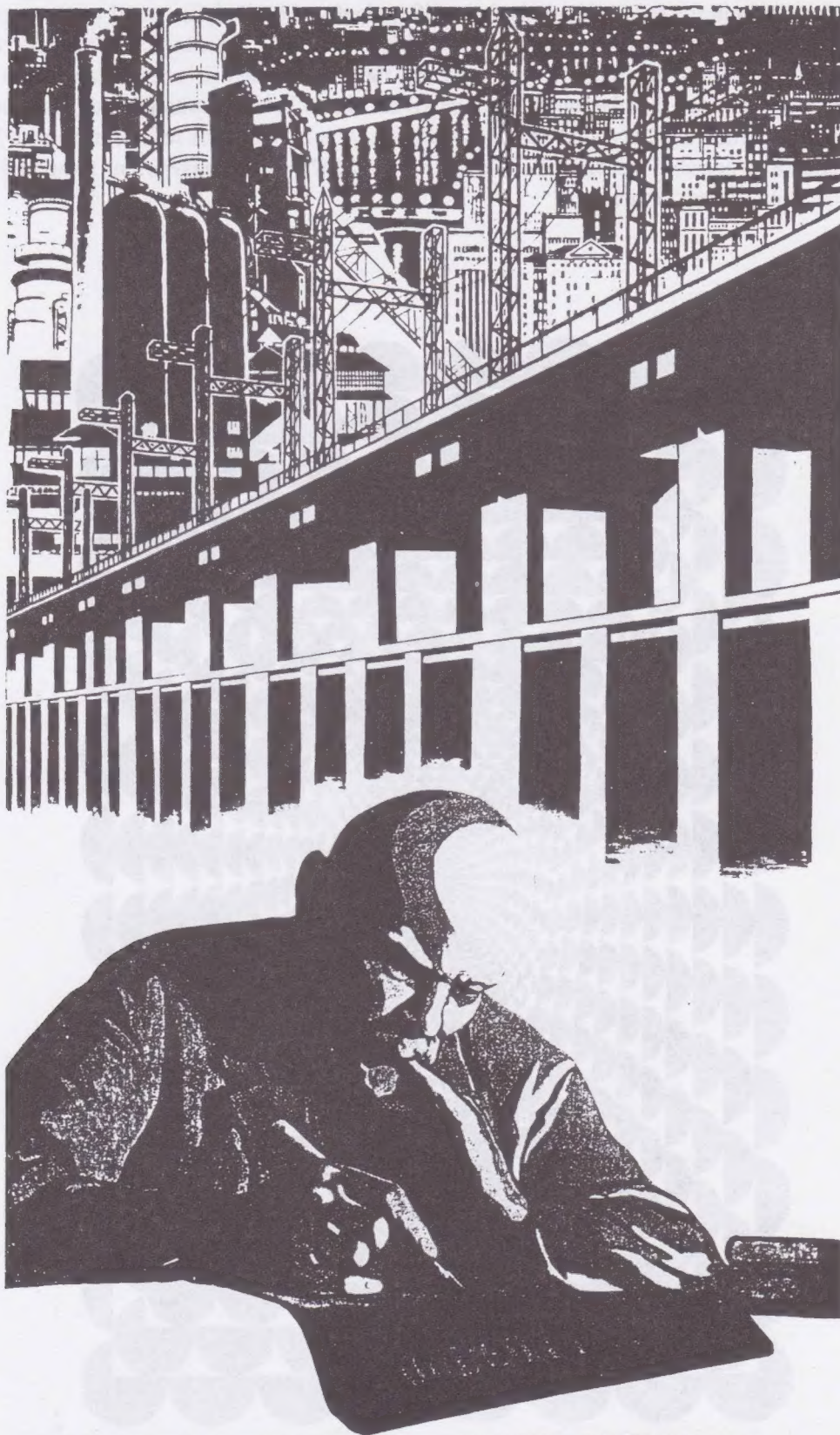
And what of social democracy? If social democracy ceases to exist will it be re-invented again? And how are we to relate to the decline and possible resurgence of social democracy? For our answers to these and related questions you will have to wait until the next issue!





# What was the USSR?

Towards a theory of the deformation of value under state capitalism<sup>1</sup>



ЗАРЯ КОММУНИЗМА В СТРАНЕ ЗАНЯЛАСЬ, ЭТО И ЕСТЬ „СОВЕТСКАЯ ВЛАСТЬ



## Introduction

### **The question of Russia once more**

In August 1991 the last desperate attempt was made to salvage the old Soviet Union. Gorbachev, the great reformer and architect of both Glasnost and Perestroika, was deposed as President of the USSR and replaced by an eight man junta in an almost bloodless coup. Yet, within sixty hours this coup had crumbled in the face of the opposition led by Boris Yeltsin, backed by all the major Western powers. Yeltsin's triumph not only hastened the disintegration of the USSR but also confirmed the USA as the final victor in the Cold War that had for forty years served as the matrix of world politics.

Six years later all this now seems long past. Under the New World (dis)Order in which the USA remains as the sole superpower, the USSR and the Cold War seem little more than history. But the collapse of the USSR did not simply reshape the 'politics of the world' - it has had fundamental repercussions in the 'world of politics', repercussions that are far from being resolved.

Ever since the Russian Revolution in 1917, all points along the political spectrum have had to define themselves in terms of the USSR, and in doing so they have necessarily had to define what the USSR was. This has been particularly true for those on the 'left' who have sought in some way to challenge capitalism. In so far as the USSR was able to present itself as 'an actually existing socialist system', as a viable alternative to the 'market capitalism of the West', it came to define what socialism was.

Even 'democratic socialists' in the West, such as those on the left of the Labour Party in Britain, who rejected the 'totalitarian' methods of the Lenin and the Bolsheviks, and who sought a parliamentary road to socialism, still took from the Russian model nationalization and centralized planning of the commanding heights of the economy as their touchstone of socialism. The question as to what extent the USSR was socialist, and as such was moving towards a communist society, was an issue that has dominated and defined socialist and communist thinking for more than three generations.

It is hardly surprising then that the fall of the USSR has thrown the left and beyond into a serious crisis. While the USSR existed in opposition - however false - to free market capitalism, and while social democracy in the West continued to advance, it was possible to assume that history was on the side of socialism. The ideals of socialism and communism were those of progress. With the collapse of the USSR such assumptions have been turned on their head. With the victory of 'free market

capitalism' socialism is now presented as anachronistic, the notion of centralized planning of huge nationalized industries is confined to an age of dinosaurs, along with organized working class struggle. Now it is the market and liberal democracy that claim to be the future, socialism and communism are deemed dead and gone.

With this ideological onslaught of neo-liberalism that has followed the collapse of the USSR, the careerists in the old social democratic and Communist Parties have dropped all vestiges old socialism as they lurch to the right. With the Blairite New Labour in Britain, the Clintonite new Democrats in the USA and the renamed Communist Parties in Europe, all they have left is to openly proclaim themselves as the 'new and improved' caring managers of capitalism, fully embracing the ideals of the market and modern management methods.

Of course, for the would-be revolutionaries who had grown up since the 1960s, with the exception of course of the various Trotskyist sects, the notion that the USSR was in anyway progressive, let alone socialist or communist, had for a long time seemed ludicrous. The purges and show trials of the 1930s, the crushing of the workers' uprisings in East Germany in 1953 and in Hungary in 1956, the refusal to accept even the limited liberal reforms in Czechoslovakia in 1968 and the continued repression of workers' struggles in Russia itself, had long led many on the 'revolutionary left' to the conclusion that whatever the USSR was it was not socialist. Even the contention that, for all its monstrous distortions, the USSR was progressive insofar as it still developed the productive forces became patently absurd as the economic stagnation and waste of the Brezhnev era became increasingly apparent during the 1970s.

For those ultra-leftists<sup>2</sup> and anarchists who had long since rejected the USSR as in anyway a model for socialism or communism, and who as a result had come to reassert the original communist demands for the complete abolition of wage labour and commodity exchange, it has long since become self-evident that the USSR was simply another form of capitalism. As such, for both anarchists and ultra-leftists the notion that the USSR was state capitalist has come as an easy one - too easy perhaps.

If it was simply a question of ideas it could have been expected that the final collapse of the USSR would have provided an excellent opportunity to clear away all the old illusions in Leninism and social democracy that had weighed like a nightmare on generations of socialists and working class militants. Of course this has not been the case, and if anything the reverse may be true. The collapse of the USSR has come at a time when the working class has been on the defensive and when the



hopes of radically overthrowing capitalism have seemed more remote than ever. If anything, as insecurity grows with the increasing deregulation of market forces, and as the old social democratic parties move to the right, it would seem if anything that the conditions are being laid for a revival of 'old style socialism'.

Indeed, freed from having to defend the indefensible, old Stalinists are taking new heart and can now make common cause with the more critical supporters of the old Soviet Union. This revivalism of the old left, with the Socialist Labour Party in Britain as the most recent example, can claim to be making just as much headway as any real communist or anarchist movement.

The crisis of the left that followed the collapse of the USSR has not escaped communists or anarchists. In the past it was sufficient for these tendencies to define their radical separation with much of the 'left' by denouncing the Soviet Union as state capitalist and denying the existence of any actually existing socialist country. This is no longer sufficient, if it ever was. As we shall show, many Trotskyists, for example, now feel vindicated by the 'restoration of capitalism' in Russia. Others, like Ticktin, have developed a more sophisticated analysis of the nature of the old USSR, and what caused its eventual collapse, which has seriously challenged the standard theories of the USSR as being state capitalist.

While some anarchists and ultra-leftists are content to repeat the old dogmas concerning the USSR, most find the question boring; a question they believe has long since been settled. Instead they seek to reassert their radicality in the practical activism of prisoner support groups (the left never supports it prisoners does it),<sup>3</sup> or in the theoretical pseudo-radicality of primitivism. For us, however, the question of what the USSR was is perhaps more important than ever. For so long the USSR was presented, both by socialists and those opposed to socialism, as the only feasible alternative to capitalism. For the vast majority of people the failure and collapse of the USSR has meant the failure of any realistic socialist alternative to capitalism. The only alternatives appear to be different shades of 'free market' capitalism. Yet it is no good simply denouncing the USSR as having been a form of state capitalism on the basis that capitalism is any form of society we don't like! To transform society we not only have to understand what it is, we also have to understand how past attempts to transform it failed.

## Outline

In this issue and the next one we shall explore the inadequacies of various versions of the theory that the USSR was a form of state capitalism; firstly when compared with the standard Trotskyist theory of the Soviet Union as a degenerated workers' state, and secondly, and perhaps more tellingly, in the light of the analysis of the USSR put forward by Ticktin which purports to go beyond both state capitalist and degenerated workers' state conceptions of the nature of the Soviet Union.

To begin with we shall examine Trotsky's theory of the USSR as a degenerated workers' state, which, at least in Britain, has served as the standard critical analysis of the nature of the Soviet Union since the 1930s. Then we shall see how Tony Cliff, having borrowed the conception of the USSR as state capitalist from the left communists in the 1940s, developed his own version of the theory of the USSR as a form of state capitalism which, while radically revising the Trotskyist orthodoxy with regard to Russia, sought to remain faithful to Trotsky's broader theoretical conceptions. As we shall see, and as is well recognized, although through the propaganda work of the SWP and its sister organizations world wide Cliff's version of the state capitalist theory is perhaps the most well known, it is also one of the weakest. Indeed, as we shall observe, Cliff's theory has often been used by orthodox Trotskyists as a straw man with which to refute all state capitalist theories and sustain their own conception of the USSR as a degenerated workers' state.

In contrast to Cliff's theory we shall, in the next issue, consider other perhaps less well known versions of the theory of the USSR as state capitalist that have been put forward by left communists and other more recent writers. This will then allow us to consider Ticktin's analysis of USSR and its claim to go beyond both the theory of the USSR as state capitalist and the theory of the USSR as a degenerated workers' state.

Having explored the inadequacies of the theory that the USSR was a form of state capitalism, in the light of both the Trotskyist theory of the Soviet Union as a degenerated workers' state and, more importantly, Ticktin's analysis of the USSR, we shall in *Aufheben* 8 seek to present a tentative restatement of the state capitalist theory in terms of a theory of the deformation of value.



## Section 1: Trotsky's theory of the Soviet Union as a degenerated workers' state

### Introduction

It is now easy to deride those who have sought, however critically, to defend the USSR as having been in some sense 'progressive'. Yet for more than a half a century the 'defence of the Soviet Union' was a central issue for nearly all 'revolutionary socialists', and is a concern that still persists today amongst some. To understand the significance of this it is necessary to make some effort to appreciate the profound impact the Russian Revolution must have had on previous generations of socialists and working class militants.



#### i) The Russian Revolution

It is perhaps not that hard to imagine the profound impact the Russian Revolution had on the working class movements at the time. In the midst of the great war, not only had the working masses of the Russian Empire risen up and overthrown the once formidable Tsarist police state, but they had set out to construct a socialist society. At the very time when capitalism had plunged the whole of Europe into war on an unprecedented scale and seemed to have little else to offer the working class but more war and poverty, the Russian Revolution opened up a real socialist alternative of peace and prosperity. All those cynics who sneered at the idea that the working people

could govern society and who denied the feasibility of communism on the grounds that it was in some way against 'human nature', could now be refuted by the living example of a workers' state in the very process of building socialism.

For many socialists at this time the revolutionary but disciplined politics of Bolsheviks stood in stark contrast to the wheeler-dealing and back-sliding of the parliamentary socialism of the Second International. For all their proclamations of internationalism, without exception the reformist socialist parties of the Second International had lined up behind their respective national ruling classes and in doing so had condemned a whole generation of the working class to the hell and death of the trenches. As a result, with the revolutionary wave that swept Europe following the First World War, hundreds of thousands flocked to the newly formed Communist Parties based on the Bolshevik model, and united within the newly formed Third International directed from Moscow. From its very inception the primary task of the Third International was that of building support for the Soviet Union and opposing any further armed intervention against the Bolshevik Government in Russia on the part of the main Western Powers. After all it must have seemed self-evident then that the defence of Russia was the defence of socialism.

#### ii) The 1930s and World War II

By the 1930s the revolutionary movements that had swept across Europe after the First World War had all but been defeated. The immediate hopes of socialist revolution faded in the face of rising fascism and the looming prospects of a second World War in less than a generation. Yet this did not diminish the attractions of the USSR. On the contrary the Soviet Union stood out as a beacon of hope compared to the despair and stagnation of the capitalist West.

While capitalism had brought about an unprecedented advance in productive capacity, with the development of electricity, washing machines, vacuum cleaners, cars, radios and even televisions, all of which promised to transform the lives of everyone, it had plunged the world into an unprecedented economic slump that condemned millions to unemployment and poverty. In stark contrast to this economic stagnation brought about by the anarchy of market forces, the Soviet Union showed the remarkable possibilities of rational central planning which was in the process of transforming the backward Russian economy. The apparent achievements of 'socialist planning' that were being brought about under Stalin's five-year plans not only appealed to the working



class trapped in the economic slump, but also to increasing numbers of bourgeois intellectuals who had now lost all faith in capitalism.

Of course, from its very inception the Soviet Union had been subjected to the lies and distortions put out by the bourgeois propaganda machine and it was easy for committed supporters of the Soviet Union, whether working class militants or intellectuals, to dismiss the reports of the purges and show trials under Stalin as further attempts to discredit both socialism and the USSR. Even if the reports were basically true, it seemed a small price to pay for the huge and dramatic social and economic transformation that was being brought about in Russia, which promised to benefit hundreds of millions of people and which provided a living example to the rest of the world of what could be achieved with the overthrow of capitalism. While the bourgeois press bleated about the freedom of speech of a few individuals, Stalin was freeing millions from a future of poverty and hunger.

Of course not everyone on the left was taken in by the affability of 'Uncle Joe' Stalin. The purge and exile of most of the leaders of the original Bolshevik government, the zig-zags in foreign policy that culminated in the non-aggression pact with Hitler, the disastrous reversals in policy imposed on the various Communist Parties through the Third International, and the betrayal of the Spanish Revolution in 1937, all combined to cast doubts on Stalin and the USSR.

Yet the Second World War served to further enhance the reputation of the Soviet Union, and not only amongst socialists. Once the non-aggression pact with Germany ended in 1940, the USSR was able to enter the war under the banner of anti-fascism and could claim to have played a crucial role in the eventual defeat of Hitler. While the ruling classes throughout Europe had expressed sympathy with fascism, and in the case of France collaborated with the occupying German forces, the Communist Parties played a leading role in the Resistance and Partisan movements that had helped to defeat fascism. As a result, particularly in France, Italy, Yugoslavia and Greece, the Communist Parties could claim to be champions of the patriotic anti-fascist movements, in contrast to most of the Quisling bourgeois parties.

### iii) The 1950s

The Second World War ended with the USA as the undisputed superpower in the Western hemisphere, but in the USSR she now faced a formidable rival. The USSR was no longer an isolated backward country at the periphery of world capital accumulation centred in Western Europe and North America. The rapid industrialization under Stalin during the 1930s had transformed the Soviet Union into a major

industrial and military power, while the war had left half of Europe under Soviet control. With the Chinese Revolution in 1949 over a third of human kind now lived under 'Communist rule'!

Not only this. Throughout much of Western Europe, the very heartlands and cradle of capitalism, Communist Parties under the direct influence of Moscow, or social democratic parties with significant left-wing currents susceptible to Russian sympathies, were on the verge of power. In Britain the first majority Labour government came to power with 48 per cent of the vote, while in Italy and France the Communist Parties won more than a third of the vote in the post-war elections and were only kept from power by the introduction of highly proportional voting systems.

What is more, few in the ruling circles of the American or European bourgeoisie could be confident that the economic boom that followed the war would last long beyond the immediate period of post-war reconstruction. If the period following the previous World War was anything to go by, the most likely prospect was of at best a dozen or so years of increasing prosperity followed by another slump which could only rekindle the class conflicts and social polarization that had been experienced during 1930s. Yet now the Communist Parties, and their allies on the left, were in a much stronger starting position to exploit such social tensions.

While the West faced the prospects of long term economic stagnation, there seemed no limits to the planned economic growth and transformation of the USSR and the Eastern bloc. Indeed, even as late as the early 1960s Khrushchev could claim, with all credibility for many Western observers, that having established a modern economic base of heavy industry under Stalin, Russia was now in a position to shift its emphasis to the expansion of the consumer goods sector so that it could outstrip the living standards in the USA within ten years!

It was this bleak viewpoint of the bourgeoisie, forged in the immediate post-war realities of the late 1940s and early 1950s, which served as the original basis of the virulent anti-Communist paranoia of the Cold War, particularly in the USA; from the anti-Communist witch-hunts of the McCarthy era to Reagan's 'evil empire' rhetoric in the early 1980s.

For the bourgeoisie, expropriation by either the proletariat or by a Stalinist bureaucracy made little difference. The threat of communism was the threat of Communism. To the minds of the Western bourgeoisie the class struggle had now become inscribed in the very struggle between the two world superpowers: between the 'Free World' and the 'Communist World'.<sup>4</sup>





The capitalist pig squirming: the sign reads "Third International."

This notion of the struggle between the two superpowers as being at one and the same time the final titanic struggle between capital and labour was one that was readily accepted by many on the left. For many it seemed clear that the major concessions that had been incorporated into the various post-war settlements had been prompted by the fear that the working class in the West, particularly in Western Europe, would go over to Communism. The post-war commitments to the welfare state, full employment, decent housing and so forth, could all be directly attributed to the bourgeoisie's fear of both the USSR and its allied Communist Parties in the West. Furthermore, despite all its faults, it was the USSR who could be seen to be the champion the millions of oppressed people of the Third World with its backing for the various national liberation movements in their struggles against the old imperialist and colonial powers and the new rapacious imperialism of the multinationals.

In this view there were only two camps: the USSR and the Eastern bloc, which stood behind the working class and the oppressed people of the world, versus the USA and the Western powers who stood behind the bourgeoisie and the propertied classes. Those who refused to take sides were seen as nothing better than petit-bourgeois intellectuals who could only dwell in their utopian abstractions and who refused to get their hands dirty in dealing with current reality.

Of course, by the early 1950s the full horrors and brutality of Stalin's rule had become undeniable. As a result many turned towards reformist socialism embracing the reforms that had been won in the post-war

settlement. While maintaining sympathies for the Soviet Union, and being greatly influenced by the notion of socialism as planning evident in the USSR, they sought to distance themselves from the revolutionary means and methods of bolshevism that were seen as the cause of the 'totalitarianism' of Russian Communism. This course towards 'democratic socialism' was to be followed by the Communist Parties themselves 20 years later with the rise of so-called Euro-communism in the 1970s.

While many turned towards 'democratic socialism', and others clung to an unswerving commitment to the Communist Party and the defence of the Soviet Union, there were those who, while accepting the monstrosities of Stalinist and post-Stalinist Russia, refused to surrender the revolutionary heritage of the 1917 Revolution. Recognising the limitations of the post-war settlement, and refusing to forget the betrayals experienced the generation before at the hands of reformist socialism,<sup>5</sup> they sought to salvage the revolutionary insights of Lenin and the Bolsheviks from what they saw as the degeneration of the revolution brought about under Stalin. The obvious inspiration for those who held this position was Stalin's great rival Leon Trotsky and his theory of the Soviet Union as a degenerated workers' state.

### **Leon Trotsky**

It is not that hard to understand why those who had become increasingly disillusioned with Stalin's Russia, but who still wished to defend Lenin and the revolutionary heritage of 1917 should have turned to Leon Trotsky. Trotsky had played a leading role in the revolutionary events of both 1905 and 1917 in Russia. Despite Stalin's attempts to literally paint him out of the picture, Trotsky had been a prominent member of the early Bolshevik Government, so much so that it can be convincingly argued that he was Lenin's own preferred successor.

As such, in making his criticisms of Stalinist Russia, Trotsky could not be so easily dismissed as some bourgeois intellectual attempting to discredit socialism, nor could he be accused of being an utopian ultra-leftist or anarchist attempting to measure up the concrete limitations of the 'actually existing socialism' of the USSR against some abstract ideal of what socialism should be. On the contrary, as a leading member of the Bolshevik Government Trotsky had been responsible for making harsh and often ruthless decisions necessary to maintain the fragile and isolated revolutionary government. Trotsky had not shrunk from supporting the introduction of one-man management and Taylorism, nor had he shied away from crushing wayward revolutionaries as was clearly shown when he led the Red



Army detachments to put down both Makhno's peasant army during the civil war and the Kronstadt sailors in 1921. Indeed, Trotsky often went beyond those policies deemed necessary by Lenin and other Bolshevik leaders as was clearly exemplified by his call for the complete militarization of labour.<sup>6</sup>

Yet Trotsky was not merely a practical revolutionary capable of taking and defending difficult decisions. Trotsky had proved to be one of the few important strategic and theoretical thinkers amongst the Russian Bolsheviks who could rival the theoretical and strategic leadership of Lenin. We must now consider Trotsky's ideas in detail and in their own terms, reserving more substantial criticisms until later.<sup>7</sup>

### **Trotsky and the Orthodox Marxism of the Second International**

There is little doubt that Trotsky remained committed throughout his life to the orthodox view of historical materialism which had become established in the Second International. Like most Marxists of his time, Trotsky saw history primarily in terms of the development of the forces of production. While class struggle may have been the motor of history which drove it forward, the direction and purpose of history was above all the development of the productive powers of human labour towards its ultimate goal of a communist society in which humanity as a whole would be free from both want and scarcity.

As such, history was seen as a series of distinct stages, each of which was dominated by a particular mode of production. As the potential for each mode of production to advance the productive forces became exhausted its internal contradictions would become more acute and the exhausted mode of production would necessarily give way to a new more advanced mode of production which would allow the further development of the productive powers of human labour.

The capitalist mode of production had developed the forces of production far beyond anything that had been achieved before. Yet in doing so capitalism had begun to create the material and social conditions necessary for its own supersession by a socialist society. The emergence of modern large scale industry towards the end of the nineteenth century had led to an increasing polarization between a tiny class of capitalists at one pole and the vast majority of proletarians at the other.

At the same time modern large scale industry had begun to replace the numerous individual capitalists competing in each branch of industry by huge joint stock monopolies that dominated entire industries in a particular economy. With the emergence of huge joint stock monopolies and industrial cartels, it was argued by most Marxists that the classical form of competitive capitalism, which had been analysed by Marx in the mid-

nineteenth century, had now given way to monopoly capitalism. Under competitive capitalism what was produced and how this produced wealth should be distributed had been decided through the 'anarchy of market forces', that is as the unforeseen outcome of the competitive battle between competing capitalists. With the development of monopoly capitalism, production and distribution was becoming more and more planned as monopolies and cartels fixed in advance the levels of production and pricing on an industry-wide basis.

Yet this was not all. As the economy as a whole became increasingly interdependent and complex the state, it was argued, could no longer play a minimal economic role as it had done during the competitive stage of capitalism. With the development of large scale industry the state increasingly had to intervene and direct the economy. Thus for orthodox Marxism, the development towards monopoly capitalism was at one and the same time a development towards state capitalism.

As economic planning by the monopolies and the state replaced the 'anarchy of market' in regulating the economy, the basic conditions for a socialist society were being put in place. At the same time the basic contradiction of capitalism between the increasingly social character of production and the private appropriation of wealth it produced was becoming increasingly acute. The periodic crises that had served both to disrupt yet renew the competitive capitalism of the early and mid-nineteenth century had now given way to prolonged periods of economic stagnation as the monopolists sought to restrict production in order to maintain their monopoly profits.

The basis of the capitalist mode of production in the private appropriation of wealth based on the rights of private property could now be seen to be becoming a fetter on the free development of productive forces. The period of the transition to socialism was fast approaching as capitalism entered its final stages of decline. With the growing polarization of society, which was creating a huge and organized proletariat, all that would be needed was for the working class to seize state power and to nationalize the major banks and monopolies so that production and distribution could be rationally planned in the interests of all of society rather than in the interests of the tiny minority of capitalists. Once the private ownership of the means of production had been swept away the development of the forces of production would be set free and the way would be open to creating a communist society in which freedom would triumph over necessity.

Of course, like many on the left and centre of the Second International, Trotsky rejected the more simplistic versions of this basic interpretation of historical



materialism which envisaged the smooth evolution of capitalism into socialism. For Trotsky the transition to socialism would necessarily be a contradictory and often violent process in which the political could not be simply reduced to the economic.

For Trotsky, the contradictory development of declining capitalism could prompt the revolutionary overthrow of the capitalist class long before the material and social preconditions for a fully developed socialist society had come into being. This possibility of a workers' state facing a prolonged period of transition to a fully formed socialist society was to be particularly important to the revolution in Trotsky's native Russia.

### **Trotsky and the theory of permanent revolution<sup>8</sup>**

While Trotsky defended the orthodox Marxist interpretation of the nature of historical development he differed radically on its specific application to Russia, and it was on this issue that Trotsky made his most important contribution to what was to become the new orthodoxy of Soviet Marxism.

The orthodox view of the Second International had been that the socialist revolution would necessarily break out in one of the more advanced capitalist countries where capitalism had already created the preconditions for the development of a socialist society. In the backward conditions of Russia, there could be no immediate prospects of making a socialist revolution. Russia remained a semi-feudal empire dominated by the all powerful Tsarist autocracy which had severely restricted the development of capitalism on Russian soil. However, in order to maintain Russia as a major military power, the Tsarist regime had been obliged to promote a limited degree of industrialization which had begun to gather pace by the turn of century. Yet even with this industrialization the Russian economy was still dominated by small scale peasant agriculture.

Under such conditions it appeared that the immediate task for Marxists was to hasten the bourgeois-democratic revolution which, by sweeping away the Tsarist regime, would open the way for the full development of capitalism in Russia, and in doing so prepare the way for a future socialist revolution. The question that came to divide Russian Marxists was the precise character the bourgeois-democratic revolution would take and as a consequence the role the working class would have to play within it.

For the Mensheviks the revolution would have to be carried out in alliance with the bourgeoisie. The tasks of the party of the working class would be to act as the most radical wing of the democratic revolution which would then press for a 'minimal programme' of political and social reforms which, while compatible with both private property and the limits of the democratic-bourgeois

revolution, would provide a sound basis for the future struggle against the bourgeoisie and capitalism.

In contrast, Lenin and the Bolsheviks believed that the Russian bourgeoisie was far too weak and cowardly to carry out their own revolution. As a consequence, the bourgeois-democratic revolution would have to be made for them by the working class in alliance with the peasant masses. However, in making a revolutionary alliance with the peasantry the question of land reform would have to be placed at the top of the political agenda of the revolutionary government. Yet, as previous revolutions in Western Europe had shown, as soon as land had been expropriated from the landowners and redistributed amongst the peasantry most of the peasants would begin to lose interest in the revolution and become a conservative force. So, having played an essential part in carrying out the revolution, the peasantry would end up blocking its further development and confine it within the limits of a bourgeois-democratic revolution in which rights of private property would necessarily have to be preserved.

Against both these positions, which tended to see the historical development of Russia in isolation, Trotsky insisted that the historical development of Russia was part of the overall historical development of world capitalism. As a backward economy Russia had been able to import the most up to date methods of modern large scale industry 'ready made' without going through the long, drawn out process of their development which had occurred in the more advanced capitalist countries. As a result Russia possessed some of the most advanced industrial methods of production alongside some of the most backward forms of agricultural production in Europe. This combination of uneven levels of economic development meant that the bourgeois-democratic revolution in Russia would be very different from those that had previously occurred elsewhere in Europe.

Firstly, the direct implantation of modern industry into Russia under the auspices of the Tsarist regime had meant that much of Russian industry was either owned by the state or by foreign capital. As a consequence, Russia lacked a strong and independent indigenous bourgeoisie. At the same time, however, this direct implantation of modern large scale industry had brought into being an advanced proletariat whose potential economic power was far greater than its limited numbers might suggest. Finally, by leaping over the intermediary stages of industrial development, Russia lacked the vast numbers of intermediary social strata rooted in small scale production and which had played a decisive role in the democratic-bourgeois revolutions of Western Europe in the eighteenth and nineteenth centuries.

On the basis of this analysis Trotsky concluded as early as 1904 that the working class would have to carry



out the democratic-bourgeois revolution in alliance with the peasant masses because of the very weakness of the indigenous Russian bourgeoisie. To this extent Trotsky's conclusions concurred with those of Lenin and the Bolsheviks at that time. However, Trotsky went further. For Trotsky both the heterogeneity and lack of organization amongst the peasant masses meant that, despite their overwhelming numbers, the Russian peasantry could only play a supporting role within the revolution. This political weakness of the peasantry, together with the absence of those social strata based in small scale production, meant that the Russian proletariat would be compelled to play the leading role in both the revolution, and in the subsequent revolutionary government. So, whereas Lenin and the Bolsheviks envisaged that it would be a democratic workers-peasant government that would have to carry out the bourgeois revolution, Trotsky believed that the working class would have no option but to impose its domination on any such revolutionary government.

In such a leading position, the party of the working class could not simply play the role of the left wing of democracy and seek to press for the adoption of its 'minimal programme' of democratic and social reforms. It would be in power, and as such it would have little option but to implement the 'minimal programme' itself. However, Trotsky believed that if a revolutionary government led by the party of the working class attempted to implement a 'minimal programme' it would soon meet the resolute opposition of the propertied classes. In the face of such opposition the working class party would either have to abdicate power or else press head by abolishing private property in the means of production and in doing so begin at once the proletarian-socialist revolution.

For Trotsky it would be both absurd and irresponsible for the party of the working class to simply abdicate power in such a crucial situation. In such a position, the party of the working class would have to take the opportunity of expropriating the weak bourgeoisie and allow the bourgeois-democratic revolution to pass, uninterrupted, into a proletarian-socialist revolution.

Trotsky accepted that the peasantry would inevitably become a conservative force once agrarian reform had been completed. However, he argued that a substantial part of the peasantry would continue to back the revolutionary government for a while, not because of any advanced 'revolutionary consciousness' but due to their very 'backwardness';<sup>9</sup> this, together with the proletariats' superior organization, would give the revolutionary government time. Ultimately, however, the revolutionary government's only hope would be that the Russian

revolution would trigger revolution throughout the rest of Europe and the world.

### **Trotsky and the perils of transition**

While Trotsky's theory of permanent revolution may have appeared adventurist, if not a little utopian, to most Russian Marxists when it was first set out in *Results and Prospects* in 1906, its conclusions were to prove crucial eleven years later in the formation of the new Marxist-Leninist orthodoxy which came to be established with the Russian Revolutions of 1917.

The revolution of February 1917 took all political parties and factions by surprise. Within a few days the centuries old Tsarist regime had been swept away and a situation of dual power established. On the one side stood the Provisional Government dominated by the various liberal bourgeois parties, on the other side stood the growing numbers of workers and peasant soviets. For the Mensheviks the position was clear: the organizations of the working class had to give critical support to the bourgeois Provisional Government while it carried out its democratic programme. In contrast, faced with a democratic-bourgeois Government which they had denied was possible, the Bolsheviks were thrown into confusion. A confusion that came to a virtual split with the return of Lenin from exile at the beginning of April.

In his *April Theses* Lenin proposed a radical shift in policy, which, despite various differences in detail and emphasis, brought him close to the positions that had been put forward by Trotsky with his theory of permanent revolution. Lenin argued that the Bourgeois Government would eventually prove too weak to carry out its democratic programme. As a consequence the Bolsheviks had to persuade the soviets to overthrow the Provisional Government and establish a workers' and peasants' government which would not only have the task of introducing democratic reform, but which would eventually have to make a start on the road to socialism.

With this radical shift in position initiated by the *April Theses*, and Trotsky's subsequent acceptance of Lenin's conception of the revolutionary party, the way was opened for Trotsky to join the Bolsheviks; and, together with Lenin, Trotsky was to play a major role not only in the October revolution and the subsequent Bolshevik Government but also in the theoretical elaboration of what was to become known as Marxist-Leninism.

While both Lenin and Trotsky argued that it was necessary to overthrow the Provisional Government and establish a workers' government through a socialist-proletarian revolution, neither Lenin nor Trotsky saw socialism as an immediate prospect in a backward country such as Russia. The proletarian revolution that established the worker-peasant dictatorship was seen as



only the first step in the long transition to a fully developed socialist society. As Trotsky was later to argue,<sup>10</sup> even in an advanced capitalist country like the USA a proletarian revolution would not be able to bring about a socialist society all at once. A period of transition would be required that would allow the further development of the forces of production necessary to provide the material basis for a self-sustaining socialist society. In an advanced capitalist country like the USA such a period of transition could take several years; in a country as backward as Russia it would take decades, and ultimately it would only be possible with the material support of a socialist Europe.



Trotsky, Lenin, and Kamenev

For both Lenin and Trotsky then, Russia faced a prolonged period of transition, a transition that was fraught with dangers. On the one side stood the ever present danger of the restoration of capitalism either through a counter-revolution backed by foreign military intervention or through the re-emergence of bourgeois relations within the economy; on the other side stood the danger of the increasing bureaucratization of the workers' state. As we shall see, Trotsky saw the key to warding off all these great perils of Russia's transition to socialism in the overriding imperative of both increasing production and developing the forces of production, while waiting for the world revolution.

In the first couple of years following the revolution many on the left wing of the Bolsheviks, enthused by the revolutionary events of 1917 and no doubt inspired by Lenin's *State and Revolution*, which restated the Marxist vision of a socialist society, saw Russia as being on the verge of communism. For them the policy that had become known as War Communism, under which money had been effectively abolished through hyper-inflation and the market replaced by direct requisitioning in accordance with the immediate needs of the war effort, was an immediate prelude to the communism that would come with the end of the civil war and the spread of the revolution to the rest of Europe.<sup>11</sup>

Both Lenin and Trotsky rejected such views from the left of the Party. For them the policy of War Communism

was little more than a set of emergency measures forced on the revolutionary government which were necessary to win the civil war and defeat armed foreign intervention. For both Lenin and Trotsky there was no immediate prospect of socialism let alone communism<sup>12</sup> in Russia, and in his polemics with the left at this time Lenin argued that, given the backward conditions throughout much of Russia, state capitalism would be a welcome advance. As he states:

'Reality tells us that state capitalism would be a step forward. If in a small space of time we could achieve state capitalism, that would be a victory' (Lenin's *Collected Works* Vol. 27, p. 293]

Trotsky went even further, dismissing the growing complaints from the left concerning the bureaucratization of the state and party apparatus, he argued for the militarization of labour in order to maximize production both for the war effort and for the post-war reconstruction. As even Trotsky's admirers have to admit, at this time Trotsky was clearly on the 'authoritarian wing' of the party, and as such distinctly to the right of Lenin.<sup>13</sup>

It is not surprising, given that he had seen War Communism as merely a collection of emergency measures rather than the first steps to communism, that once the civil war began to draw to a close and the threat of foreign intervention began to recede, Trotsky was one of the first to advocate the abandonment of War Communism and the restoration of money and market relations. These proposals for a retreat to the market were taken up in the New Economic Policy (NEP) that came to be adopted in 1921.

### The NEP and the Left Opposition

By 1921 the Bolshevik Government faced a severe political and economic crisis. The policy of forced requisitioning had led to a mass refusal by the peasantry to sow sufficient grain to feed the cities. Faced with famine, thousands of workers simply returned to their relatives in the countryside. At the same time industry had been run into the ground after years of war and revolution. In this dire economic situation, the ending of the civil war had given rise to mounting political unrest amongst the working class, both within and outside the Party, which threatened the very basis of the Bolshevik Government. Faced with political and economic collapse the Bolshevik leadership came to the conclusion that there was no other option but make a major retreat to the market. The Bolshevik Government therefore abandoned War Communism and adopted the New Economic Policy (NEP) which had been previously mooted by Trotsky.

Under the NEP, state industry was broken up in to large trusts which were to be run independently on strict



commercial lines. At the same time, a new deal was to be struck with the peasantry. Forced requisitioning was to be replaced with a fixed agricultural tax, with restrictions lifted on the hiring of labour and leasing of land to encourage the rich and middle-income peasants to produce for the market.<sup>14</sup> With the retreat from planning, the economic role of the state was to be mainly restricted to re-establishing a stable currency through orthodox financial policies and a balanced state budget.

For Trotsky, the NEP, like War Communism before it, was a policy necessary to preserve the 'workers' state' until it could be rescued by revolution in Western Europe. As we have seen, Trotsky had, like Lenin, foreseen an alliance with the peasantry as central to sustaining a revolutionary government, and the NEP was primarily a means of re-establishing the workers'-peasants alliance which had been seriously undermined by the excesses of War Communism. However, as we have also seen, Trotsky had far less confidence in the revolutionary potential of the peasantry than Lenin or other Bolshevik leaders. For Trotsky, the NEP, by encouraging the peasants to produce for the market, held the danger of creating a new class of capitalist farmers who would then provide the social basis for a bourgeois counter-revolution and the restoration of private property. As a consequence, from an early stage, Trotsky began to advocate the development of comprehensive state planning and a commitment to industrialization within the broad framework of the NEP.

Although Trotsky's emphasis on the importance of planning and industrialization left him isolated within the Politburo, it placed him alongside Preobrazhensky at the head of a significant minority within the wider leadership of the Party and state apparatus which supported such a shift in direction of the NEP, and which became known as the Left Opposition. As a leading spokesman for the Left Opposition, and at the same time one of the foremost economists within the Bolshevik Party, Preobrazhensky came to develop the *Theory of Primitive Socialist Accumulation* which served to underpin the arguments of the Left Opposition, including Trotsky himself.

### **Preobrazhensky's theory of primitive accumulation**

As we have already noted, for the orthodox Marxism of the Second International whereas capitalism was characterized by the operation of market forces - or in more precise Marxist terms the 'law of value' - socialism would be regulated by planning. From this Preobrazhensky argued that the transition from capitalism to socialism had to be understood in terms of the transition from the regulation of the economy through the operation of the law of value to the regulation of the economy through the operation of the 'law of planning'. During the period of transition both the law of value and

the law of planning would necessarily co-exist, each conditioning and competing with the other.

Under the New Economic Policy, most industrial production had remained under state ownership and formed the state sector. However, as we have seen, this state sector had been broken up into distinct trusts and enterprises which were given limited freedom to trade with one another and as such were run on a profit-and-loss basis. To this extent it could be seen that the law of value still persisted within the state sector. Yet for Preobrazhensky, the power of the state to direct investment and override profit-and-loss criteria meant that the law of planning predominated in the state sector. In contrast, agriculture was dominated by small-scale peasant producers. As such, although the state was able to regulate the procurement prices for agricultural produce, agriculture was, for Preobrazhensky, dominated by the law of value.

From this Preobrazhensky argued that the struggle between the law of value and the law of planning was at the same time the struggle between the private sector of small-scale agricultural production and the state sector of large-scale industrial production. Yet although large-scale industrial production was both economically and socially more advanced than that of peasant agriculture the sheer size of the peasant sector of the Russian economy meant that there was no guarantee that the law of planning would prevail. Indeed, for Preobrazhensky, under the policy of optimum and balanced growth advocated by Bukharin and the right of the Party and sanctioned by the Party leadership, there was a real danger that the state sector could be subordinated to a faster growing agricultural sector and with this the law of value would prevail.

To avert the restoration of capitalism Preobrazhensky argued that the workers' state had to tilt the economic balance in favour of accumulation within the state sector. By rapid industrialization the state sector could be expanded which would both increase the numbers of the proletariat and enhance the ascendancy of the law of planning. Once a comprehensive industrial base had been established, agriculture could be mechanized and through a process of collectivization agriculture could be eventually brought within the state sector and regulated by the law of planning.

Yet rapid industrialization required huge levels of investment which offered little prospects of returns for several years. For Preobrazhensky there appeared little hope of financing such levels of investment within the state sector itself without squeezing the working class - an option that would undermine the very social base of a workers' government. The only option was to finance industrial investment out of the economic surplus



produced in the agricultural sector by the use of tax and pricing policies.

This policy of siphoning off the economic surplus produced in the agricultural sector was to form the basis for a period of Primitive Socialist Accumulation. Preobrazhensky argued that just as capitalism had to undergo a period primitive *capitalist* accumulation, in which it plundered pre-capitalist modes of production, before it could establish itself on a self-sustaining basis, so, before a socialist society could establish itself on a self-sustaining basis, it too would have to go through an analogous period of primitive *socialist* accumulation, at least in a backward country such as Russia.

### The rise of Stalin

With the decline in Lenin's health and his eventual death in 1924, the question of planning and industrialization became a central issue in the power struggle for the succession to the leadership of the Party. Yet while he was widely recognized within the Party as Lenin's natural successor, and as such had been given Lenin's own blessing, Trotsky was reluctant to challenge the emerging troika of Stalin, Kamenev and Zinoviev, who, in representing the conservative forces within the state and Party bureaucracy, sought to maintain the NEP as it was. For Trotsky, the overriding danger was the threat of a bourgeois counter-revolution. As a result he was unwilling to split the Party or else undermine the 'centrist' troika and allow the right of the Party to come to power, enabling the restoration of capitalism through the back door.

Furthermore, despite Stalin's ability repeatedly to out-manoeuvre both Trotsky and the Left Opposition through his control of the Party bureaucracy, Trotsky could take comfort from the fact that after the resolution of the first 'scissors crisis'<sup>15</sup> in 1923 the leadership of the Party progressively adopted a policy of planning and industrialization, although without fully admitting it.

By 1925, having silenced Trotsky and much of the Left Opposition, Stalin had consolidated sufficient power to oust both Kamenev and Zinoviev<sup>16</sup> and force them to join Trotsky in opposition. Having secured the leadership of the Party, Stalin now openly declared a policy of rapid industrialization under the banner of 'building socialism in one country' with particular emphasis on building up heavy industry. Yet at first Stalin refused to finance such an industrialization strategy by squeezing the peasants. Since industrialization had to be financed from within the industrial state sector itself, investment in heavy industry could only come at the expense of investment in light industry which produced the tools and consumer goods demanded by the peasantry. As a result a 'goods famine' emerged as light industry lagged behind the growth of peasant incomes and the growth of heavy industry.



Unable to buy goods from the cities the peasants simply hoarded grain so that, despite record harvests in 1927 and 1928, the supply of food sold to the cities fell dramatically.

This crisis of the New Economic Policy brought with it a political crisis within the leadership of the Party and the State. All opposition within the Party had to be crushed. Trotsky and Zinoviev were expelled from the Party, with Trotsky eventually being forced into exile, leaving Stalin to assume supreme power in both the Party and the state. To consolidate and sustain his power Stalin was obliged to launch a reign of terror within the Communist Party. This terror culminated in a series of purges and show trials in the 1930s which led to the execution of many of the leading Bolsheviks of the revolution.

Perhaps rather ironically, while Stalin had defended the New Economic Policy to the last, he now set out to resolve the economic crisis by adopting the erstwhile policies of the Left Opposition albeit pushing them to an unenvisaged extreme.<sup>17</sup> Under the five year plans, the first of which began in 1928, all economic considerations were subordinated to the overriding objective of maximizing growth and industrialization. Increasing physical output as fast as possible was now to be the number one concern, with the question of profit and loss of individual enterprises reduced to a secondary consideration at best. At the same time agriculture was to be transformed through a policy of forced collectivization. Millions of peasants were herded into collectives and state farms which, under state direction, could apply modern mechanized farming methods.

It was in the face of this about turn in economic policy, and the political terror that accompanied it, that Trotsky was obliged to develop his critique of Stalinist Russia and with this the fate of the Russian Revolution. It was now no longer sufficient for Trotsky to simply criticize the economic policy of the leadership as he had done during the time of the Left Opposition. Instead Trotsky had to broaden his criticisms to explain how the very course of the revolution had ended up in the bureaucratic nightmare that was Stalinist Russia.



Trotsky's new critique was to find its fullest expression in his seminal work *The Revolution Betrayed* which was published in 1936.



*Comrade! Prepare, as a Bolshevik, for a 'shock-tactic sowing campaign'*

#### **Trotsky and the Leninist conception of party, class and the state**

As we shall see, in *The Revolution Betrayed*, Trotsky concludes that, with the failure of the revolution elsewhere in the world, the workers' state established by the Russian Revolution had degenerated through the bureaucratization of both the Party and the state. To understand how Trotsky was able to come to this conclusion while remaining within Marxist and Leninist orthodoxy, we must first consider how Trotsky appropriated and developed the Leninist conception of the state, party and class.

From almost the very beginning of the Soviet Union there had been those both inside and outside the Party

who had warned against the increasing bureaucratization of the revolution. In the early years, Trotsky had little sympathy for such complaints concerning bureaucratization and authoritarianism in the Party and the state. At this time, the immediate imperative of crushing the counter-revolutionary forces, and the long-term aim of building the material basis for socialism, both demanded a strong state and a resolute Party which were seen as necessary to maximize production and develop the productive forces. For Trotsky at this time, the criticisms of bureaucratization and authoritarianism, whether advanced by those on the right or the left, could only serve to undermine the vital role of the Party and the state in the transition to socialism.

However, having been forced into opposition and eventual exile Trotsky was forced to develop his own critique of the bureaucratization of the revolution, but in doing so he was anxious to remain within the basic Leninist conceptions of the state, party and class which he had resolutely defended against earlier critics.

Following Engels, theorists within the Second International had placed much store in the notion that what distinguished Marxism from all former socialist theories was that it was neither an utopian socialism nor an ethical socialism but a scientific socialism. As a consequence, Marxism tended to be viewed as a body of positive scientific knowledge that existed apart from the immediate experiences and practice of the working class. Indeed, Marx's own theory of commodity fetishism seemed to suggest that the social relations of capitalist society inevitably appeared in forms that served to obscure their own true exploitative nature.<sup>18</sup> So, while the vast majority of the working class may feel instinctively that they were alienated and exploited, capitalism would still appear to them as being based on freedom and equality. Thus, rather than seeing wage-labour in general as being exploitative, they would see themselves being cheated by a particular wage deal. So, rather than calling for the abolition of wage-labour, left to themselves the working class would call for a 'fair day's pay for a fair day's work'.

Trapped within the routines of their everyday life, the majority of the working class would not be able by themselves to go beyond such a sectional and trade union perspective. Hence one of the central tasks of a workers' party was to educate the working class in the science of Marxism. It would only be through a thorough knowledge of Marxism that the working class would be able to reach class consciousness and as such be in a position to understand its historic role in overthrowing capitalism and bringing about a socialist society.

In adapting this orthodox view of the Party to conditions prevailing in Tsarist Russia Lenin had pushed it to a particular logical extreme. It was in *What is to be*



*Done?* that Lenin had first set out his conception of a revolutionary party based on democratic centralism. In this work Lenin had advocated a party made up of dedicated and disciplined professional revolutionaries in which, while the overall policy and direction of the party would be made through discussion and democratic decision, in the everyday running of the party the lower organs of the party would be completely subordinated to those of the centre. At the time, Trotsky had strongly criticized *What is to be Done?*, arguing that Lenin's conception of the revolutionary party implied the substitution of the party for the class.

Indeed, Trotsky's rejection of Lenin's conception of the party has often been seen as the main dividing line between Lenin and Trotsky right up until their eventual reconciliation in the summer of 1917. Thus, it has been argued that, while the young Trotsky had sided with Lenin and the Bolsheviks against the Mensheviks over the crucial issue of the need for an alliance with the peasantry, he had been unable to accept Lenin's authoritarian position on the question of organization. It was only in the revolutionary situation of 1917 that Trotsky had come over to Lenin's viewpoint concerning the organization of the Party. However, there is no doubt that Trotsky accepted the basic premise of *What is to be Done?*, which was rooted in Marxist orthodoxy, that class consciousness had to be introduced from outside the working class by intellectuals educated in the 'science of Marxism'. There is also little doubt that from an early date Trotsky accepted the need for a centralized party. The differences between Lenin and Trotsky over the question of organization were for the most part a difference of emphasis.<sup>19</sup> What seems to have really kept Lenin and Trotsky apart for so long was not so much the question of organization but Trotsky's 'conciliationism'. Whereas Lenin always argued for a sharp differentiation between the Bolsheviks and the Mensheviks to ensure political and theoretical clarity, Trotsky had always sought to re-unite the two wings of Russian social democracy.

To some extent Lenin's formulation of democratic centralism in *What is to be Done?* was determined by the repressive conditions then prevailing in Tsarist Russia; but it was also premised on the perceived cultural backwardness of the Russian working class which, it was thought, would necessarily persist even after the revolution. Unlike Germany, the vast majority of the Russian working class were semi-literate and uneducated. Indeed, many, if not a majority of the Russian working class were fresh out of the countryside and, for socialist intellectuals like Lenin and Trotsky, retained an uncouth

parochial peasant mentality. As such there seemed little hope of educating the vast majority of the working class beyond a basic trade union consciousness.

However, there were a minority within the working class, particularly among its more established and skilled strata, who could, through their own efforts and under the tutelage of the party, attain a clear class consciousness. It was these more advanced workers, which, organized through the party, would form the revolutionary vanguard of the proletariat that would be the spearhead of the revolution. Of course this was not to say that rest of the working class, or even the peasantry, could not be revolutionary. On the contrary, for Lenin and the Bolsheviks, revolution was only possible through the mass involvement of the peasants and the working class. But the instinctive revolutionary will of the masses had to be given leadership and direction by the party. Only through the leadership of the proletarian vanguard organized in a revolutionary party would it be possible to mediate and reconcile the immediate and often competing individual and sectional interests of workers and peasants with the overall and long-term interests of the working class in building socialism.

For Lenin, the first task in the transition to socialism had to be the seizure of state power. During his polemics against those on the right of the Bolshevik Party who had, during the summer of 1917, feared that the overthrow of the bourgeois Provisional Government and the seizure of state power might prove premature, Lenin had returned to Engels's conception of the state in the stage of socialism.

Against both Lassalle's conception of state socialism and the anarchists' call for the immediate abolition of the state, Engels had argued that, while it would be necessary to retain the state as means of maintaining the dictatorship of the working class until the danger of counter-revolution had been finally overcome, a socialist state would be radically different from that which had existed before. Under capitalism the state had to stand above society in order both to mediate between competing capitalist interests and to impose the rule of the bourgeois minority over the majority of the population. As a result, the various organs of the state, such as the army, the police and the administrative apparatus had to be separated from the population at large and run by a distinct class of specialists. Under socialism the state would already be in the process of withering away with the breaking down of its separation from society. Thus police and army would be replaced by a workers' militia, while the state administration would be carried out increasingly by the population as a whole.





The Petrograd Soviet (photographed during the early 1920s), one of 10,000 city and village soviets set up in 1917.

Rallying the left wing of the Bolshevik Party around this vision of socialism, Lenin had argued that with sufficient revolutionary will on the part of the working masses and with the correct leadership of the party it would be possible to smash the state and begin immediately the construction of Engels's 'semi-state' without too much difficulty.<sup>20</sup> Already the basis for the workers' and peasants' state could be seen in the mass organizations of the working class - the factory committees, the soviets and the trade unions, and by the late summer of 1917 most of these had fallen under the leadership of the Bolsheviks.<sup>21</sup> Yet this conception of the state which inspired the October revolution did not last long into the new year.

Confronted by the realities of consolidating the power of the new workers' and peasants' government in the backward economic and cultural conditions then prevailing in Russia, it was not long before Lenin was obliged to reconsider his own over-optimistic assessments for the transition to socialism that he had adopted just prior to the October revolution. As a result, within weeks of coming to power it became clear to Lenin that the fledgling Soviet State could not afford the time or resources necessary to educate the mass of workers and peasants to the point where they could be drawn into direct participation in the administration of the state. Nor could the economy afford a prolonged period of disruption that would follow the trials and errors of any experiment in workers' self-management. Consequently, Lenin soon concluded that there could be no question of

moving immediately towards Engels's conception of a 'semi-state', which after all had been envisaged in the context of a socialist revolution being made in an advanced capitalist country. On the contrary, the overriding imperative of developing the forces of production, which alone could provide the material and cultural conditions necessary for a socialist society, demanded not a weakening, but a strengthening of the state - albeit under the strict leadership of the vanguard of the proletariat organized within the party.

So now, for Lenin, administrative and economic efficiency demanded the concentration of day to day decision making into the hands of specialists and the adoption of the most advanced methods of 'scientific management'.<sup>22</sup> The introduction of such measures as one-man management and the adoption of methods of scientific management not only undermined workers' power and initiative over the immediate process of production, but also went hand-in-hand with the employment of thousands of former capitalist managers and former Tsarist administrators.

Yet, while such measures served to re-impose bourgeois relations of production, Lenin argued that such capitalist economic relations could be counter-balanced by the political control exercised over the state-industrial apparatus by the mass organizations of the working class under the leadership of the Party. Indeed, as we have already noted, against the objections from the left that his policies amounted to the introduction not of socialism but of state capitalism, Lenin, returning to the orthodox



formulation, retorted that the basis of socialism was nothing more than 'state capitalism under workers' control', and that, given the woeful backwardness of the Russian economy, any development of state capitalism could only be a welcome advance.

As the economic situation deteriorated with the onset of the civil war and the intervention of the infamous 'fourteen imperialist armies',<sup>23</sup> the contradictions between the immediate interests of the workers and peasants and those of the socialist revolution could only grow. The need to maintain the political power of the Party led at first to the exclusion of all other worker and peasant parties from the workers' and peasants government and then to the extension of the Red Terror, which had originally been aimed at counter-revolutionary bourgeois parties, to all those who opposed the Bolsheviks. At the same time power was gradually shifted from the mass organizations of the working class and concentrated within the central organs of the Party.<sup>24</sup> As a result it was the Party which had to increasingly serve as the check on the state and the guarantee of its proletarian character.

### **The degeneration of the revolution**

There is no doubt that Trotsky shared such Leninist conceptions concerning the state, party and class, and with them the view that the transition to socialism required both the strengthening of the state and the re-imposition of capitalist relations of production. Indeed, this perspective can be clearly seen in the way he carried out the task of constructing the Red Army.<sup>25</sup> What is more, Trotsky did not balk at the implications of these Leninist conceptions and the policies that followed from them. Indeed, Trotsky fully supported the increasing suppression of opposition both inside and outside the Party which culminated with his backing for the suspension of Party factions at the Tenth Party Congress in 1921 and his personal role in crushing the Kronstadt rebellion in February 1921.



It can be argued that Trotsky was fully implicated in the Leninist conceptions and policies, and that such conceptions and policies provided both the basis and precedent for Stalinism and the show trials of the 1930s. However, for Trotsky and his followers there was a qualitative difference between the consolidation of power and repression of opposition that were adopted as temporary expedients made necessary due to the civil war and the threat of counter-revolution, and the permanent and institutional measures that were later adopted by Stalin. For Trotsky, this qualitative difference was brought about by the process of bureaucratic degeneration that arose with the failure of world revolution to save the Soviet Revolution from isolation.

In his final years Lenin had become increasingly concerned with the bureaucratization of both the state and Party apparatus. For Lenin, the necessity of employing non-proletarian bourgeois specialists and administrators, who would inevitably tend to work against the revolution whether consciously or unconsciously, meant that there would be a separation of the state apparatus from the working class and with this the emergence of bureaucratic tendencies. However, as a counter to these bureaucratic tendencies stood the Party. The Party, being rooted in the most advanced sections of the working class, acted as a bridge between the state and the working class, and, through the imposition of the 'Party Line', ensured the state remained essentially a 'workers' and peasants' state'.

Yet the losses of the civil war left the Party lacking some of its finest working class militants, and those who remained had been drafted into the apparatus of the Party and state as full time officials. At the same time Lenin feared that more and more non-proletarian careerist elements were joining the Party. As a result, shortly before his death Lenin could complain that only 10 per cent of the Party membership were still at the factory bench. Losing its footing in the working class Lenin could only conclude that the Party itself was becoming bureaucratized.

In developing his own critique of Stalin, Trotsky took up these arguments which had been first put forward by Lenin. Trotsky further emphasized that, with the exhaustion of revolutionary enthusiasm, by the 1920s even the most advanced proletarian elements within the state and Party apparatus had begun to succumb to the pressures of bureaucratization. This process was greatly accelerated by the severe material shortages which encouraged state and Party officials, of whatever class origin, to place their own collective and individual interests as part of the bureaucracy above those of working masses.

For Trotsky, the rise to power of the troika of Stalin, Kamenev and Zinoviev following Lenin's death marked the point where this process of bureaucratization of the



state and Party had reached and ensnared the very leadership of the Party itself. Drawing a parallel with the course of the French Revolution, Trotsky argued that this point represented the transition to the Russian Thermidor - a period of conservative reaction arising from the revolution itself.<sup>26</sup> As such, for Trotsky, Russia remained a workers' state, but one whose proletarian-socialist policies had now become distorted by the privileged and increasingly conservative strata of the proletariat that formed the bureaucracy, and through which state policy was both formulated and implemented.

For Trotsky, these conservative-bureaucratic distortions of state policy were clearly evident in both the internal and external affairs. Conservative-bureaucratic distortions were exemplified in foreign policy by the abandonment of proletarian internationalism, which had sought to spread the revolution beyond the borders of the former Russian empire, in favour of the policy of 'building socialism in one country'. For the bureaucracy the disavowal of proletarian internationalism opened the way for the normalization of diplomatic relations with the capitalist powers throughout the rest of the world. For Trotsky, the abandonment of proletarian internationalism diminished the prospects of world revolution which was ultimately the only hope for the Russian Revolution if it was to avoid isolation in a capitalist world and further degeneration culminating in the eventual restoration of capitalism in Russia. Domestically, the policy of building socialism in one country had its counterpart in the persistence of the cautious economic policies of balanced and optimal growth represented by the continuation of the NEP, which for Trotsky, as we have already seen, threatened the rise of a new bourgeoisie amongst the rich peasantry and with this the danger of capitalist restoration.

However, just as the Thermidor period of conservative reaction had given way to the counter-revolution of Napoleon Bonapart which imposed the dictatorship of one man, so the Russian Thermidor, which ended with the crisis in the NEP, gave rise to Stalin as the sole dictator. For Trotsky then, the dictatorship of Stalin represented a 'Bonapartist counter-revolution' from within the revolution itself, which marked the final stage in the degeneration of the Russian workers' state. Yet, just as Bonapart's counter-revolution was a political revolution which while restoring the monarchy did so by preserving the transformation of property relations achieved by the revolution, so likewise Stalin's counter-revolution preserved the fundamental gains of the Russian Revolution in that it maintained public ownership of the means of production along with state planning. Indeed, while Trotsky dismissed Stalin's claims that, with the collectivization of agriculture and introduction of comprehensive centralized planning of the five year plans,

Russia had become fully socialist, he accepted that these were major achievements in the transition towards socialism.

So, for Trotsky, however degenerated Stalin's Russia had become, it remained a workers' state and as such preserved the fundamental gains of the revolution. By preserving public ownership of the means of production and state planning, which opened the way for the rapid development of the forces of production, Stalin's regime could be seen to develop the objective social and material conditions necessary for socialism. As such, for all its crimes, Stalin's Russia objectively represented a crucial historic advance over all capitalist countries. Therefore, for Trotsky, Stalin's Russia demanded critical support from all revolutionaries.<sup>27</sup>

Yet, as we shall see, the increasing tension between the barbarism of Stalin's regime, which condemned millions of workers, peasants and revolutionaries (including many of Trotsky's own former comrades) to death or hard labour, and Trotsky's insistence of its objectively progressive character, prompted many, including Trotsky's own ardent followers, to question his notion that Stalinist Russia was a degenerated workers' state.

The obvious objection was that the totalitarianism of Stalin's regime was virtually indistinguishable from that of Hitler's which had also gone a long way towards nationalizing the economy and bring it under state planning. Trotsky dismissed any resemblance between Stalin's Russia and Hitler's Germany as being merely superficial. For Trotsky, during its period of decline capitalism would necessarily be forced into an increasing statification of the economy which would give rise to authoritarian and fascist regimes. This process towards state capitalism had already reached an extreme in such countries as Italy under Mussolini and Germany under Hitler but could also be seen in the growing statism and authoritarianism in other 'democratic' countries such as France. However, such statification of the economy and the growth in public ownership of the means of production was being carried out as a last ditch effort to preserve its opposite, private property. Stalin's Russia, on the other hand, was developing on the very basis of the public ownership of the means of production itself. Stalinist Russia had crossed the historical Rubicon of the socialist revolution. Thus, while it may have appeared that Stalin's Russia was similar to that of Hitler's Germany, for Trotsky they were essentially very different.

### **Bureaucracy and class**

A more penetrating objection to Trotsky's critical defence of Stalinist Russia concerned the question of the nature of the Stalinist bureaucracy. Against Trotsky, it could be



argued that under Stalin, if not before, the Soviet bureaucracy had established itself as a new exploitative ruling class. If this was the case then it could no longer be maintained that Stalinist Russia was in any sense a workers' state, however degenerated. Further, if the bureaucracy was not simply a strata of the proletariat that had become separated from the rest of its class, but a class in itself, it could no longer be claimed that the bureaucracy ultimately ruled in the interests of the working class, albeit in a distorted manner. The bureaucracy could only rule in its own narrow and minority class interests. As a result it could be concluded that either Russia had reverted back to a form of state capitalism, or else had given rise to a new unknown mode of production; either way there could be no longer any obligation for revolutionaries to give Stalin's monstrous regime 'critical support'.

Given that this charge that the Stalinist's bureaucracy constituted a distinct exploitative class threatened to undermine the very basis of his theory of Russia as a degenerated workers' state, Trotsky was at great pains to refute it. Of course, it was central to Trotsky's critique of the Soviet Union under Stalin that the bureaucracy had emerged as a distinct social group that had come to dominate the working class. Indeed, as Trotsky himself put it, the bureaucracy constituted 'a commanding and privileged social stratum'. Yet despite this Trotsky denied that the bureaucracy could in any way constitute a distinct exploitative class.

In denying that the Soviet bureaucracy constituted a distinct social class Trotsky was able to directly invoke the orthodox Marxist conceptions of class and bureaucracy. In doing so Trotsky was able to claim at the same time that he was defending Marxism itself against the revisionist arguments of his opponents; but, as we shall see, by invoking the authority of Marx, Trotsky was spared the task of setting out the basis of his own conception of the nature of class and bureaucracy with any degree of clarity.

For both Marx and Engels social classes were constituted through the social relations that necessarily arose out of the particular mode of production upon which a given society was based. Indeed, for Marx and Engels, the specific nature of any class society was determined by the manner in which the exploitative classes extracted surplus labour from the direct producers.

For orthodox Marxism, such social relations were interpreted *primarily in terms of property relations*.<sup>28</sup> Hence, within the capitalist mode of production the essential social relations of production were seen primarily in terms of the private ownership of the means of production. While the capitalist class was constituted through its private ownership of the means of production,

the working class was constituted through its non-ownership of the means of production. Being excluded from the ownership of the means of production, the working class, once it has consumed its means of subsistence, had no option but to sell its labour power to the capitalist class if it was to survive. On the other hand, in buying the labour power of the working class the capitalist class obtained the rights of possession of all the wealth that the working class created with its labour. Once it had paid the costs of production, including the costs of reproducing labour-power, the capitalist class was left in possession of the surplus-labour created by the working class, as the direct producers, in the specific social form of surplus-value.<sup>29</sup>

On the basis of this orthodox interpretation of the nature of class, backed up by various political writings of both Marx and Engels, it was not hard to argue that, at least within capitalism, the state bureaucracy could not constitute a distinct social class. The state bureaucracy could clearly be seen to stand outside the immediate process of production and circulation, and as such was not directly constituted out of the social relations of production. Even insofar as the state was able to go beyond its mere function as the 'executive committee of the bourgeoisie' so that the state bureaucracy could act as a distinct social group which was able to pursue its own ends and interests, the state bureaucracy still did not constitute a distinct class since its social position was not based in private property but in its extra-economic political and administrative functions. So, even insofar as the state bureaucracy was able to appropriate a share in the surplus-value it did so not by virtue of its private ownership of the means of production or capital but through extra-economic means such as taxation and tariffs.

So, at least under capitalism, it seemed clear that the state bureaucracy could not constitute a distinct social class. But what of the transition from capitalism to socialism? For Trotsky, following Marxist orthodoxy, the question was clear cut. The revolution of 1917 had swept away the private ownership of the means of production and with it the basis for the exploitation of 'man by man' which had been perfected under capitalism. With the nationalization of the means of production and the introduction of social planning there was no basis for the state bureaucracy to exist as an exploitative class.

Trotsky made clear his position at the very outset of his consideration of the social position of the Soviet bureaucracy:

'Classes are characterized by their position in the social system of economy, and primarily by their relation to the means of production. In civilized societies, property relations are validated by laws. The nationalization of land, the means of industrial



production, transport and exchange, together with the monopoly of foreign trade, constitute the basis of the social structure. Through these relations, established by the proletarian revolution, the nature of the Soviet Union as a proletarian state is for us basically defined.' (*The Revolution Betrayed*, p. 248)

To this extent Trotsky's position is little different from that of Stalin: the abolition of private property ends the exploitation of 'man by man'.<sup>30</sup>

Of course, Trotsky could not simply remain content with Stalin's denial that the Soviet bureaucracy constituted an exploitative class. Indeed Stalin's position even denied the existence of the bureaucracy as a distinct social group. To make his critique of Stalin's Russia, Trotsky had to look beyond the formal and judicial transformation of property relations brought about by the Russian Revolution in 1917. Trotsky recognized that, although the nationalization decrees that followed the October revolution had *formally and juridically* transferred the ownership of the means of production from the hands of private capitalists to society as a whole, this was not the same as the *real* transfer of the ownership to the people as a whole. The nationalization of production had merely transferred the ownership of the means of production from the capitalist to the state, which, while a necessary step in the transition to socialism, was not the same as real public ownership. For Trotsky, in a real sense the 'state owns the economy and the bureaucracy owns the state'.

As Trotsky himself points out, the real property relations, as opposed to the formal and juridical property relations, is a social reality acutely apparent to the Soviet worker:

"The worker in our country is not a wage slave and is not a seller of a commodity called labour-power. He is a free workman" (*Pravda*) For the present period this unctuous formula is unpermissible bragging. The transfer of the factories to the state changed the situation of the worker only juridically. In reality, he is compelled to live in want and work a definite amount of hours for a definite wage. Those hopes which the worker formerly placed in the party and the trade unions, he transferred after the revolution to the state created by him. But the useful functioning of this implement turned out to be limited by the level of technique and culture. In order to raise this level, the new state resorted to the old methods of pressure upon the muscles and nerves of the worker. There grew up a corps of slave drivers. The management of industry became super-bureaucratic. The workers lost all influence whatever upon management of the factory. With piecework payment, hard conditions of material existence, lack of free movement, with terrible police repression penetrating the life of every factory, it is hard indeed

for the worker to feel himself a free workman.' (*The Revolution Betrayed*, p. 241)



Миллионы рабочих, строящих нашу промышленность, накапливают изо дня в день огромный опыт строительства, который ценен для нас ничуть не меньше, чем опыт руководителей.  
Через производственные совещания рабочий класс советской страны вкладывает свой опыт в развитие производства, учится управлять своей промышленностью, участвует в ее рационализации, помогает строить тылу социализма.  
Каждый сознательный пролетарий должен быть активным участником производственных совещаний.  
ТОВАРИЩИ РАБОЧЕ И РАБОТНИЦЫ! Помогайте через производственные совещания скорее и лучше строить социалистическую промышленность. Толкайте производственные совещания к более энергичной деятельности, проверяйте их работу.  
**Участвуйте во всесоюзном СМОТРЕ производственных совещаний, проводимом под руководством газеты „ПРАВДА“.**

For Trotsky, the overriding need to develop the productive forces in the backward conditions prevailing in Russia required the state ownership of production. Through the state the Soviet bureaucracy had, in a sense, taken real possession of the means of production and as such had come to constitute a distinct social group. Just as Marx and Engels had observed that under capitalism the state bureaucracy could in certain situations obtain a relative degree of autonomy from the bourgeois ruling class, so in the transition to socialism the state bureaucracy was able to obtain a relative autonomy from the proletarian ruling class. Indeed, Trotsky argues that the autonomy of the Soviet bureaucracy is all the greater than its counterparts under capitalism since the working class is not an inherently dominating class.



Thus, while the revolution had formally freed the worker from the dictates of private property and made him a co-owner of the means of production, in reality the worker found himself in a situation that seemed little different from that under capitalism. Indeed, subordinated to the demands of the state bureaucracy the worker may well feel just as exploited as he had been under capitalism. But for Trotsky, although the worker may subjectively feel exploited, *objectively* he was not. The plight of the workers' situation was not due to exploitation but to the objective need to develop the forces of production. Of course, like all bureaucracies the Soviet bureaucracy could abuse its position to obtain material and personal advantages and this could reinforce the workers' perception that the bureaucracy was exploiting them. But for Trotsky such material and personal advantages were not due to the exploitation of the working class by the state bureaucracy, but due to the bureaucracy's *privileged* position within the workers' state.

Hence while the nationalization of the means of production by the workers' state had ended capitalist relations of production and thereby ended exploitation, the backward conditions in Russia had allowed the Soviet bureaucracy to gain a privileged and commanding position and maintain *bourgeois norms of distribution*. The bureaucracy no more exploited the working class than monopolist capitalists exploited other capitalists by charging monopoly prices. All the Soviet bureaucracy did was redistribute the surplus-labour of society in its own favour. This is perhaps best illustrated by Trotsky's own analogy with share-holding in a market economy:

'If we translate socialist relations, for illustration, into the language of the market, we may represent the citizen as a stockholder in a company which owns the wealth of country. If property belonged to all the people, that would presume equal distribution of "shares", and consequently a right to the same dividend for all "shareholders". The citizens participate in the national enterprise, however, not only as "shareholders", but also as producers. On the lower stage of communism, which we have agreed to call socialism, payments for labour are still made according to bourgeois norms - that is, dependence upon skill and intensity etc. The theoretical income of each citizen is thus composed of two parts,  $a + b$  - that is, dividend plus wages. The higher the technique and the more complete the organization of industry, the greater is the place occupied by  $a$  as against  $b$ , and the less is the influence of individual differences of labour upon the standard of living. From the fact that wage differences in the Soviet Union are not less, but greater than in capitalist countries, it must be inferred that the shares of the Soviet citizen are not equally distributed, and that in his income the dividend as well as the wage payment

are unequal. Whereas the unskilled labour receives only  $b$ , the minimum payment which under similar conditions he would receive in a capitalist enterprise, the Stakhanovist or bureaucrat receives  $2a + b$ , or  $3a + b$ , etc., while  $b$  also in turn may become  $2b$ ,  $3b$ , etc. The differences in income are determined, in other words, not only by differences of individual productiveness, but also by a masked appropriation of the products of labour of others. The privileged minority of shareholders is living at the expense of the deprived majority.' (*The Revolution Betrayed*, p. 240).

So, for Trotsky, insofar as the revolution of 1917 had abolished the private ownership of the means of production the basis for socialist relations of production had been established. However, in the backward conditions in which the revolution had been made, bourgeois norms of distribution still persisted and had become exacerbated by the growing power of the state bureaucracy in such conditions.

#### Trotsky and the question of transition

Trotsky's attempt to develop a Marxist critique of Stalin's Russia, while at the same time denying that the Soviet bureaucracy constituted an exploitative class, was far from being unproblematic. In developing this critique of the Soviet Union through his polemics against Stalinists on the one hand, and the left communists and some of his own followers on the other, Trotsky had little time to present in detail the theoretical foundations of his arguments. Instead, as we have already noted, Trotsky for the most part appealed to the commonly accepted tenets of orthodox Marxism. As a consequence Trotsky failed to set out clearly his ideas on such fundamental matters as the connection between the productive forces and the social relations of production, the social relations of production and property relations, and between production and distribution. As we have already indicated, perhaps the most important weakness of Trotsky is his acceptance of the orthodox reduction of social relations of production to simple property relations, we shall briefly examine this now.

As we have seen, not only did Trotsky interpret the social relations of production primarily in terms of property relations but, along with Stalin, insisted that these property relations had to be given an immediate expression in the juridical property relations that regulated society. As Trotsky asserts: 'In all civilized societies, property relations are validated by laws'. But, as we have also seen, in order to press home his critique of the Soviet bureaucracy Trotsky had to go beyond the apparent legal property relations of the Soviet Union and in doing so, at least implicitly, acknowledge that real property relations may differ from their formal and juridical expression.



Of course, this disjunction between real and formal property relations is not unknown in capitalism itself. With the development of the modern corporation from the end of the nineteenth century there has arisen a growing divergence between the ownership of the means of production and their management. The modern joint stock company is formally owned by its shareholders while the actual running of the company is left to the senior management who can be said to have the *real possession* of the means of production. For Trotsky, the social relations of production would be transformed simply by nationalizing the firm so that it is run for society as a whole rather than for a few shareholders. With nationalization, legal ownership is transferred to the state while the real possession of means of production may remain in the hands of the management or bureaucracy. Hence, just as under certain circumstances the management of joint stock company cream off some of the profits in the form of huge salaries and share options, so under conditions of underdevelopment the management of state enterprises may also be in a position to cream of the economic surplus produced by the nationalized industry.

Yet few would deny that while the management of a capitalist enterprise may not themselves legally own the firm they still *function* as capitalists with regard to the workers. The management functions to extract surplus-value and as a consequence they function as the actual exploiters of the workers. Within the Soviet enterprise the workers may formally own the means of production but in real terms they are dispossessed. They have to sell their labour-power for a wage. On the other side the 'socialist' management are obliged to extract surplus-labour just as much as their capitalist counterparts, as even Trotsky admits. It would seem that the actual social relations of production between the workers who are really dispossessed and the management who have real possession of the means of production is the same. What has changed is the merely the formal property relations which affects the distribution of the surplus-labour, not its production.

In this view Trotsky's position becomes inverted: the revolution of 1917 only went so far as to socialize the distribution of the economic surplus while leaving the social relations of production as capitalist. This line of argument provides the basis for a telling critique, not only against Trotsky's theory of a degenerated workers' state, but also the 'politicism' of the entire Leninist project which had been inherited from the orthodox Marxism of the Second International.<sup>31</sup> Indeed, as we shall see, this line of argument has often been taken up in various guises by many anarchists and left communists opposed to the Leninist conception of the USSR and the Russian Revolution. Yet, if we are to grasp what has given

Trotsky's theory of a degenerated workers' state its hold as one of the principle critiques of the USSR it is necessary to consider the importance of 'transition' to Trotsky.

As we have seen, the notion that the Soviet Union was in a state of transition from capitalism to socialism was central for Trotsky. Indeed, it is this very notion of transition which allowed Trotsky to defend the orthodox Leninist and Marxist positions alongside Stalin, while at the same time distancing himself sufficiently from Stalin to make a thorough critique of the USSR. As we have already pointed out, both Stalin and Trotsky supported the orthodox position that the real social relations of production of any established mode of production would have to find their immediate legal and formal expression. Yet, while Stalin asserted that with the five year plans and the collectivization of agriculture the USSR had become socialist, Trotsky insisted that the USSR was still in a state of transition from capitalism to socialism. Since the USSR was in transition from one mode of production to another, the formal and legal property relations could be in advance of the real relations of production. The disjunction between the real and formal property relations of the USSR was the result of the real contradictions in the transformation of capitalist social relations into those of socialism.

Of course for Trotsky, sooner or later formal property relations would have to be brought into conformity with the real social relations of production. Either the development of the productive forces would eventually allow the formal property relations to be given a real socialist content or else the USSR would collapse back into capitalism with the restoration of the private ownership of the means of production.

Furthermore, for Trotsky, it was this contradiction between the formal property relations and the social relations of production that placed the bureaucracy in a precarious and unstable position which prevented it from constituting itself as a class. To defend its position the bureaucracy had to defend state property and develop the forces of production. Yet, while the social position of the individual capitalist was rooted in the private ownership of the means of production that was backed by law, the individual bureaucrat was simply an employee of the state who owed his or her position to those higher up in the bureaucracy. Unable to reproduce itself over the generations through inheritance Trotsky believed that the Soviet bureaucracy could not last long. The Soviet bureaucracy was merely a fleeting phenomena of transition that would one way or another have to pass away.<sup>32</sup>

It was on this basis that Trotsky argued:

"To the extent that, in contrast to decaying capitalism, it develops the productive forces, [the bureaucracy] is



preparing the economic basis of socialism. To the extent that, for the benefit of an upper stratum, it carries to more and more extreme expression bourgeois norms of distribution, it is preparing a capitalist restoration.' (*The Revolution Betrayed*, p. 244)

So, for Trotsky, either the Soviet Union would make the transition to socialism, in which case the bureaucracy would be swept away, or else it would fall back into capitalism and the bureaucracy would legalize their position through the reintroduction of private property and capitalism, and in doing so transform themselves into

a new capitalist class.

Trotsky's notion that the USSR was in a state of transition from capitalism to socialism was central to his theory of Russia as a degenerated workers' state and, at the time of writing, seemed to give his theory substantial explanatory power. Yet Trotsky's prognosis that the end of the Second World War would see the Soviet Union either become socialist with the support of world revolution or else face the restoration of capitalism was to be contradicted by the entrenchment of the Soviet bureaucracy following the war. As we shall see, this was to provoke a recurrent crisis amongst Trotsky's followers.





## Section 2: The theory of the USSR as a form of state capitalism within Trotskyism

### Introduction

For Trotsky, the Stalinist system in the USSR could only be but a transitory historical phenomena. Lacking a firm legal basis in the ownership of the means of production, the Stalinist bureaucracy was doomed to a mere fleeting appearance in the overall course of history. Indeed, throughout the 1930s, Trotsky had been convinced that the days of the Stalinist bureaucracy were numbered.

For Trotsky, world capitalism was in terminal decline. The economic stagnation that had followed the Wall Street crash in 1929 could only intensify imperialist rivalries amongst the great capitalist powers which ultimately could only be resolved through the devastation of a Second World War. Yet Trotsky firmly believed that, like the First World War, this Second World War would bring in its wake a renewed revolutionary wave that would sweep the whole of Europe if not the world. In the midst of such a revolutionary wave the Russian working class would be in a position to overthrow the Stalinist bureaucracy in a political revolution which would then, with the aid of revolutions elsewhere, open the way for Russia to complete its transition to socialism. Even if the worst came to the worst, and the post-war revolutionary wave was defeated, then the way would then be open for the restoration of capitalism in Russia. With the defeat of the proletariat, both in Russia and elsewhere, the Stalinist bureaucracy would soon take the opportunity to convert itself into a new bourgeoisie through the privatization of state industry. Either way the Stalinist bureaucracy would soon disappear, along with the entire Stalinist system that had arisen from the degeneration of the Russian Revolution.

As the approach of the Second World War became more and more apparent, Trotsky became more convinced that Stalin's day of reckoning would not be far off. Yet not all of Trotsky's followers shared his optimism.

Following his expulsion from Russia in 1929 Trotsky had sought to re-establish the Left Opposition on an international basis seeking to oppose Stalin within the Third International of Communist Parties. However, in the face of Stalin's resolute hold over the Third International and its constituent Communist Parties Trotsky's efforts to build the International Left Opposition within the official world Communist movement soon proved to be futile. In 1933 Trotsky decided to break from the Third International and attempt to regroup all those Communists opposed to Stalin in an effort to build a new Fourth International.

With the international upturn in class struggle of the mid-1930s, which culminated in the Spanish Revolution in 1936, increasing numbers of Communists who had become disillusioned with Stalinism were drawn to Trotsky's project. By 1938 Trotsky had felt that the time had come to establish the Fourth International. Although the various groups across the world who supported the project of a Fourth International were still very small compared with the mass Communist Parties of the Third International, Trotsky believed that it was vital to have the international organization of the Fourth International in place before the onset of the Second World War. Trotsky believed that just as the First World War had thrown the international workers' movement into confusion, with all the Socialist Parties of the Second International being swept along in patriotic fervour, so the same would happen with the onset of the Second World War. In such circumstances the Fourth International would have to provide a resolute point of reference and clarity in the coming storm which could then provide a rallying point once the patriotic fever had given way to the urge for revolution amongst the working class across the world.

Yet by 1938 the upturn in class struggle had more or less passed. The Spanish Revolution had been defeated and Franco's fascists were well on their way to winning the Spanish Civil War. With fascism already triumphant in Italy and Germany and advancing elsewhere in Europe the situation was looking increasingly bleak for those on the left that had become disillusioned with Stalinism. Furthermore, few could have been as convinced as Trotsky was that the onset of a Second World War, which promised to be even more terrible than first, would bring in its wake a renewed revolutionary situation in Europe, if not the world.

As a consequence, many, even within the Fourth International, came to draw rather pessimistic conclusions concerning the world situation. Within such a pessimistic perspective it was easy to conclude that the socialist revolution had failed, both in Russia and the rest of Europe, in the early 1920s. From this it was but a short step to argue that capitalism was not being replaced by socialism, as Marx had foreseen, but by a new and unforeseen form of society in which all political and economic life was subsumed by a totalitarian state, which had become evident not only in Mussolini's Italy and Hitler's Germany but also in Stalin's Russia. This new form of society now seemed destined to dominate the world, just as capitalism had done before it. This view found its expression in the various theories of



'bureaucratic collectivism' that increasingly gained support amongst Trotskyists towards the end of the 1930s.

The theory of bureaucratic collectivism was originally put forward by Bruno Rizzi in the early 1930s. Yet it was in 1939 that this theory became central to the first grave crisis in Trotskyism. As we have seen, on the basis of his theory of the USSR as a degenerated workers' state, Trotsky had argued that, despite all the crimes perpetuated by the Stalin's regime, it was necessary, in order to defend the proletarian gains of the Russian Revolution, to give critical support to the Soviet Union. As we have also noted, this position became increasingly difficult to defend as true nature of Stalin's regime became apparent, particularly after the Moscow show trials of the 1930s and the role of the Stalinists in crushing the workers' revolution in Spain in the May Days of 1937. For many Trotskyists the last straw came when Stalin signed a non-aggression pact with Hitler in August 1939. Here was the USSR openly dealing with a fascist regime!

In September 1939 several leading members of the Socialist Workers' Party of the USA, which, with several thousand members, was one of the largest sections of the Fourth International, announced the formation of an organized minority faction opposed to the official stance towards the USSR. In their polemics with Trotsky and his supporters in the American SWP the notion central to bureaucratic collectivism - that Stalin's Russia was little different from that of Hitler's Germany - proved to be a powerful weapon. Indeed, many of the leading figures in this oppositional faction, which eventually split from the SWP in 1940 to form the Workers' Party, came to adopt the theory of bureaucratic collectivism as their own. As such the theory of bureaucratic collectivism came to pose the main challenge to orthodox Trotskyism from within Trotskyism itself.

In his interventions in the fierce polemics that preceded the split in the American SWP, Trotsky made it clear that he saw the theory of bureaucratic collectivism as nothing less than a direct attack not merely on his own ideas, but on Marxism itself. The notion that the capitalist mode of production was destined to be surpassed, not by socialism but by a form of society based on bureaucratic collectivism, clearly broke with the fundamental understanding of history that had underpinned Marxism from its very inception. Yet, if this was not bad enough, none of the various versions of the theory of bureaucratic collectivism went as far to provide an adequate materialist and class analysis of what bureaucratic collectivism was and how it had come about. As a result, as Trotsky ceaselessly pointed out, these theories of bureaucratic collectivism were unable to go

beyond the level of appearance and as such remained merely descriptive.

Such criticisms were seen to be borne out by the eventual fate of the various theories of bureaucratic collectivism and their leading proponents. Having abandoned Marxism, the theories of bureaucratic collectivism lacked any theoretical grounding of their own. As a consequence they were obliged to look to various strands of bourgeois sociology and ended up joining the growing stream of bourgeois theories that saw the increasing totalitarianism and bureaucratization of modern societies as an inevitable result of the complexities of industrial society. This was perhaps best illustrated by one of the leading figures in the split from the American SWP in 1940, Peter Burnham. As a university professor, Burnham was recognized as one of the leading intellectuals in the minority that split from the American SWP, but he went on to become one of the originators of the theory of the 'managerial society' which was to become popular amongst bourgeois sociologists in the '50s and '60s. Yet while the logic of bureaucratic collectivism led Burnham to become a liberal, for Schachtman, who had been one of the prime proponents of the theory of bureaucratic collectivism, it meant eventually ending up as a virulent anti-Communist who openly backed the McCarthy witch hunts of the 1950s. For those who remained loyal to Trotsky the fate of these supporters of the bureaucratic collectivism could only be taken as a stern lesson in the dangers of straying too far from the teachings of Trotsky and Marxist orthodoxy.

Yet it should be noted here that not all those who split from the American SWP at this time were proponents of a theory of bureaucratic collectivism or variants of one. From the very foundation of the Fourth International there had been a significant minority with the Trotskyist movement who had opposed Trotsky's stance to the USSR by arguing that Russia was not a degenerated workers' state but was simply state capitalist.<sup>33</sup> It was this theory of the USSR as being state capitalist which was to re-emerge with greater force after the Second World War, as we shall now see.

### **The theory of state capitalism and the second crisis in Trotskyism**

Trotsky's predictions for the end of the Second World War, which had sustained the hopes of those who had remained loyal to him, were soon proved to be false. There was no repeat of the great revolutionary wave that had swept Europe at the end of the First World War; nor was the grip of either Stalinism or social democracy on the workers' movements weakened. On the contrary, both Stalinism and social democracy emerged from the Second World War far stronger than they had ever been.



As it became increasingly apparent that the realities of the immediate post-war world contradicted the predictions that Trotsky had made before his death in 1940, and with them the basic orientation of the Fourth International, the strains within the Trotskyist movement between those who sought to revise Trotskyism to meet these new realities and those who feared such revisionism reached the point of crisis. In 1953, less than eight years after the end of the war the Fourth International finally split giving rise to the '57 varieties' of Trotskyism that we find today. One of the crucial issues at the heart of this crisis within Trotskyism was that of the question of the respective natures of the USSR and Eastern Europe.

The retreat of the German armies during the final stages of the war had prompted popular uprisings across Eastern Europe. For the most part these uprisings had either been contained by the Stalinists, where they provided the popular base on which to build broad-based anti-fascist governments, or, to the extent that they could not be contained, they were either crushed by the advancing Red Army, or else abandoned to the vengeance of the retreating German forces.

At first Stalin did not seek to impose the economic or political model of the Soviet Union on the countries of Eastern Europe. The broad-based anti-fascist governments were elected on traditional bourgeois-democratic lines and in most cases came to include not only Communists and socialists but also liberals and representatives of the peasant and rural classes. Although these governments were encouraged to carry out nationalizations of key industries, and implement various social and agrarian reforms, in many respects this differed little from the policies of nationalization of ailing industry and welfare reforms that were happening elsewhere in Europe. But as the Cold War began to set in, and Europe began to polarize between East and West, Stalin began to impose the Soviet economic and political model on to Eastern Europe. If necessary, the post-war coalitions were pushed aside and the wholesale nationalization of industry was carried out and the market was replaced by centralized planning.

The initial phase of the post-war era in Eastern Europe had presented Trotskyists with few problems. The uprisings at the end of the war could be seen as portents of the coming world revolution, while the repression by the Stalinists could be righteously condemned. Furthermore, the fact that these uprisings had for the most part failed explained why Eastern Europe remained capitalist. However, once the 'Russification of Eastern Europe' began to take place, Trotskyist theory began to face a serious dilemma.

Of course, the transformation of property relations that had been brought about by the wholesale nationalization of industry and the introduction of

centralized planning could be seen to reaffirm Trotsky's insistence on the objectively progressive role of the Stalinist bureaucracy. Indeed, it could now be argued that the Stalinist bureaucracy had not only defended the proletarian gains of the Russian Revolution but had now extended them to the rest of Eastern Europe.

Yet, if this was the case, did this not imply that the countries of Eastern Europe had now become degenerated workers' states like the USSR? But how could you have a degenerated workers' state when there had been no revolution, and thus no workers' state, in the first place?! It was now no longer just that a workers' state was supposed to exist where the workers had no state power, as Trotsky had argued for Stalinist Russia, but workers' states were now supposed to exist where the working class had *never* been in power! With the question of Eastern Europe the fundamental dichotomy of Trotsky's theory of a degenerated workers' state, in which the objective interests of the working class are somehow able to stand apart from and against the working class in the form of the alien power of the bureaucracy, now stood exposed.

But if the countries of Eastern Europe were not admitted as being degenerated workers' states then what were they? The obvious answer, given that the principle means of production had been simply nationalized by the state without a workers' revolution, was that they were state capitalist. However, such an answer contained even greater dangers for orthodox Trotskyists than the first. As Eastern Europe became reconstructed in the image of the USSR it became increasingly difficult to avoid the conclusion that if the countries of Eastern Europe were state capitalist then so must the Soviet Union be nothing other than a form of state capitalism.

After numerous attempts to resolve this dilemma the official line which emerged within the leadership of the Fourth International was that the uprising at the end of the war had all been part of a proletarian revolution that had been mutilated and deformed by Stalinism. The countries of Eastern Europe were therefore not degenerated workers' states as such, but 'deformed workers' states'. Yet this attempted solution still implied that the Stalinist bureaucracy was an active agent in creating the objective conditions of socialism. As we have seen, Trotsky had argued that the Stalinist bureaucracy was progressive in that in defending its own basis in state property it was impelled to defend the objective gains of the proletarian revolution, that is the state ownership of the means of production. Now Trotskyism had come to argue that the Stalinist bureaucracy not only defended such proletarian gains but could now actually extend them! With the Stalinist bureaucracy now deemed to be a primary agent in the transition to socialism the importance of the revolutionary role of the working class



became diminished. The way was now opened for Trotskyists in the coming decades to support all sorts of nationalist movements regardless of the role within them of the proletariat.<sup>34</sup>

### **Cliff and the neo-Trotskyist theory of the USSR as state capitalist**

Perhaps rather ironically, Tony Cliff was originally sent to Britain by the leadership of the Fourth International in an effort to head off any potential support within the British Section for the theory that Eastern Europe and the USSR were in any way state capitalist. As it turned out, it was not Gerry Healey, Ted Grant or any of the other leading figures of the British Revolutionary Communist Party<sup>35</sup> at that time who came to adopt the theory of state capitalism but none other than Cliff himself.

Yet in coming to the viewpoint that it was not only Eastern Europe that was state capitalist but also the USSR, Tony Cliff was determined not to follow in the footsteps of so many former Trotskyists who, having rejected Trotsky's theory of Russia as a degenerated workers' state, had come to reject Trotsky and even Marxism itself. Instead, Cliff was committed to developing a state capitalist theory of the USSR which remained firmly within both the Trotskyist and orthodox Marxist tradition. Against those who argued that the theory of the USSR as a degenerated workers' state was central to Trotsky's Marxism, Cliff replied by arguing that not only were there numerous examples in Trotsky's own writings where he indicated serious doubts concerning his conclusion that the USSR was a degenerated workers' state but that towards the end of his life Trotsky had shown signs of moving away from such conclusions altogether. Indeed, Cliff sought to claim that had Trotsky lived then he too would have eventually come round to the conclusion that the USSR had become state capitalist, and certainly would not have dogmatically defended a position that flew in the face of all the evidence as his loyal followers in the leadership of the Fourth International had done.

Cliff originally presented his rather heretical ideas in 1948 in the form of a duplicated discussion document entitled *The Nature of Stalinist Russia*. After several editions and accompanying amendments and additions, this text now takes the form of a book entitled *State Capitalism in Russia* which provides us with a definitive statement of Cliff's position.

Cliff devoted much of the first third of *State Capitalism in Russia* to presenting a mass of evidence with which he sought to show both the exploitative and repressive nature of the USSR. Yet, as powerful an indictment of the Stalinist regime as this may have been, the evidence Cliff presented was far from sufficient to convince his opponents within either the Revolutionary

Communist Party or the broader Fourth International. For orthodox Trotskyists such evidence could simply be taken to confirm the extent of the degeneration of the Soviet Union and did little to refute the persistence of Russia as essentially a workers' state. As Cliff himself recognized, it was necessary to demonstrate that the apparent exploitative and repressive character of the Soviet Union necessarily arose, not from the degeneration of the Soviet Union as a workers' state but rather from the fact that under Stalin the USSR had ceased to be a workers' state and had become state capitalist. Yet to do this Cliff had first of all to clarify what he meant by 'state capitalism' and how such a conception was not only compatible with, but rooted within the orthodox Marxist tradition.

For orthodox Marxism, capitalism had been defined as a class society dominated by generalized commodity exchange which arises from the private ownership of the means of production. On the basis of such a definition it would appear, at least at first sight, that the notion of state capitalism in the absolute sense was a contradiction in terms. If all of the means of production are nationalized, the capitalist class expropriated and the law of value and the market replaced by state allocation and planning, then it would appear that capitalism must have been, by definition, abolished. If it was accepted that, for the most part, the Russian Revolution had led to the abolition of the private ownership of the means of production, then it would seem clear that, from a Marxist point of view, capitalism in any form could not exist in the USSR. (And of course this is the common objection we find advanced against all theories of state capitalism in the USSR.)

However, as Cliff was keen to point out, it had also been central to orthodox Marxism that the capitalist mode of production was transitory. Capitalism was merely a phase in human history whose very development would eventually undermine its own basis. As capitalism repeatedly revolutionized methods of production it advanced the forces of production to an unprecedented degree. Yet in advancing the forces of production capitalism was obliged to increasingly socialize production as production was carried out on an ever larger and more complex scale. The more social the production process became the more it came into conflict with the private appropriation of the wealth that it produced. As a result capitalism was obliged to negate its very own basis in the private ownership of production and in doing so it prepared the way for socialism.

As we have noted before, already by the end of the nineteenth century most Marxists had come to the view that the classical stage of free competitive capitalism, that had been described and analysed by Marx in the 1860s, had given way to the final stages of the capitalist era. The growth of huge cartels and monopolies and the increasing



economic role of the state was seen as negating the market and the operation of the law of value. At the same time the emergence of joint stock companies and the nationalization of key industries meant the replacement of individual capitalist ownership of the means of production by collective forms of ownership which implied the further negation of private property. Indeed, as Engels argued, the development of both monopoly and state capitalism was leading to the point that the capitalist class was superfluous to the production process itself. Capital no longer needed the capitalist. As Engels himself states:

[T]he conversion of the great organizations for production and communication into joint-stock companies and state property show that for this purpose the bourgeoisie can be dispensed with. All the social functions of the capitalists are now carried out by salaried employees. The capitalist has no longer any social activity save the pocketing of revenues, the clipping of coupons and gambling on the stock exchange, where different capitalists fleece each other of their capital. Just as at first the capitalist mode of production displaced the workers, so now it displaces the capitalists, relegating them, just as it did the workers, to the superfluous population, even if in the first instance not to the industrial reserve army.

But neither the conversion into joint stock companies nor into state property deprives the productive forces of their character as capital. In the case of joint stock companies this is obvious. And the modern state, too, is only the organization with which bourgeois society provides itself in order to maintain the general external conditions of the capitalist mode of production against encroachments either by workers or by individual capitalists. The modern state, whatever its form, is an essentially capitalist machine; it is the state of capitalists, the ideal collective body of all capitalists. The more productive forces it takes over as its property, the more it becomes the real collective body of all capitalists, the more citizens it exploits. The workers remain wage earners, proletarians. The capitalist relationship is not abolished; it is rather pushed to an extreme. But at this extreme it is transformed into its opposite. State ownership of the productive forces is not the solution of the conflict, but it contains within itself the formal means, the key to the solution.' (Engels, *Anti-Dühring*, p. 330)

So for the old orthodoxy of the Second International it was undoubtedly accepted that there was an inherent tendency towards state capitalism. Indeed it was this tendency which was seen as laying the basis for socialism. Yet it had also been central for both Lenin and the new Bolshevik orthodoxy. Not only did the increasing negation of private property and the law of value indicate

the ripeness for socialism, but the fusion of the state and capital within state capitalism explained the increasing imperialist rivalries that had led to the First World War. As the competitive struggle between capital and capital became at the same time a struggle between imperialist states, imperialist war became inevitable. As Bukharin remarks in *Imperialism and the World Economy*, which provided the theoretical basis for Lenin's theory of imperialism:

'When competition has finally reached its highest stage, when it has become competition between state capitalist trusts, then the use of state power, and the possibilities connected with it play a very large part. The state apparatus has always served as a tool in the hands of the ruling classes of its country, and it has always acted as the their "defender and protector" in the world market; at no time, however, did it have the colossal importance that it has in the epoch of finance capital and imperialist politics. With the formation of state capitalist trusts competition is being almost entirely shifted onto foreign countries; obviously the organs of the struggle that is to be waged abroad, primarily state power, must therefore grow tremendously... If state power is generally growing in significance the growth of its military organization, the army and the navy, is particularly striking. The struggle between state capitalist trusts is decided in the first place by the relation between their military forces, for military power of the country is the last resort of the struggling "national" groups of capitalists.' (Bukharin, p. 124)

So it could not be doubted that the notion that capitalism was developing towards state capitalism, such that its very basis within both the law of value and private property was increasingly becoming negated, was clearly rooted within orthodox Marxism. The question then was whether state capitalism in an absolute sense was possible. Could it not be the case that after a certain point quantity would be transformed into quality? Was it not the case that once the principle means of production had been nationalized and the last major capitalist expropriated capitalism had necessarily been objectively abolished? And was this not the case for Russia following the October revolution?

To counter this contention, that could all too easily be advanced by his Trotskyist critics, Cliff argued that the qualitative shift from capitalism to the transition to socialism could not be simply calculated from the 'percentage' of state ownership of the means of production. It was a transition that was necessarily politically determined. As we have seen, the tendency towards state capitalism was a result of the growing contradiction between the increasingly social forms of production and the private appropriation of wealth. Collective, and ultimately state ownership of the means of



production were a means to reconcile this contradiction while at the same time preserving private appropriation of wealth and with it private property. Thus the tendency towards state capitalism involved the partial negation of private property on the basis of private property itself.

So at the limit, state capitalism could be seen as the 'partial negation of capitalism on the basis of capitalism itself'. So long as the state economy was run to exploit the working class in the interests of an exploitative class then the economy remained state capitalist. However, if the working class seized power and ran the state economy in the interests of the people as whole then state capitalism would give way to a workers' state and the transition to socialism could begin. Thus state capitalism was a turning point, it was the final swan song of capitalism, but once the working class seized the state it would be the basis for the transition to socialism.



However, it could be objected that many revolutionary Marxists, including Trotsky himself, had explicitly denied that capitalism could reach the limit of state capitalism. Indeed, against the reformists in the Second International, who had argued that capitalism would naturally evolve into state capitalism which could then be simply taken over by democratically capturing the state, revolutionary Marxists had argued that, while there was a tendency towards state capitalism, it could never be fully realized in practice due to the rivalries between capitalists and by the very threat of expropriation of the state by the working class.

Cliff countered this by arguing that such arguments had only applied to the case of the evolution of traditional capitalism into state capitalism. In Russia there had been a revolution, that had expropriated the capitalist class and introduced a workers' state, and then a counter-revolution, which had restored capitalism in the form of state capitalism run in the interests of a new bureaucratic class. For Cliff, the Russian Revolution had created a workers' state, but, isolated by the failure of socialist revolutions elsewhere in Europe, the workers' state had degenerated. With the degeneration of the workers' state the bureaucracy increasingly became separated from the working class until, with Stalin's ascendancy, it was able to constitute itself as a new exploitative class and seize state power. With the bureaucracy's seizure of power the

workers' state was over-turned and state capitalism was restored to Russia.

This periodization of post-revolutionary era in Russia not only allowed Cliff to overcome the objection that Trotsky had denied the possibility of bourgeois society fully realizing the tendency towards state capitalism, but also allowed him to accept most of Trotsky's analysis of the Russian Revolution and its aftermath. Cliff only had to part ways with Trotsky for the analysis of the ten years following 1928, where Trotsky maintained that the USSR has remained a degenerated workers' state while Cliff argued that it had become state capitalist. Yet, as we shall see, this periodization, despite all its advantages for Cliff's credibility as a Trotskyist, was to prove an important weak point in his theory. But before looking at the weak points of Cliff's theory of state capitalism we must first examine more closely what Cliff saw as the nature of state capitalism in Stalin's Russia.

As we have seen, although Cliff uncritically defended the orthodox Marxist definition of capitalism, he was able to counter the objections that the USSR could not be in any sense capitalist because there was neither the law of value nor private property, by arguing that state capitalism was the 'partial negation of capitalism on the basis of capitalism itself'. So what did he mean by 'the partial negation of capitalism'? Clearly capitalism could not be completely negated otherwise it would not be capitalism; so in what sense is the negation of capitalism partial? With Cliff the meaning of the partial negation of capitalism becomes most evident in terms of the law of value.

Following Marx, Cliff argued that under capitalism there is a two-fold division of labour. First of all there is the division of labour that arises between capitalist enterprises which is regulated by the law of value that operates through the 'anarchy of the market'. Secondly there is the division of labour that arises within each capitalist enterprise which is directly determined by the rational and conscious dictates of the capitalists or their managers. Of course the second division of labour is subordinated to the law of value insofar as the capitalist enterprise has to compete on the market. However, the law of value appears as external to it.

For Cliff the USSR acted as if it was simply one huge capitalist enterprise. As such the law of value no longer operated within the USSR, it had been negated with the nationalization of production and the introduction of comprehensive state planning. But, insofar as the USSR was obliged to compete both economically and politically within the capitalist world system it became subordinated to the law of value like any capitalist enterprise. In this sense, for Cliff, the law



of value was only 'partially negated on the basis of the law of value itself'.

Yet, if neither market nor the law of value operated within the USSR this implied that products were not really bought and sold within the USSR as commodities, they were simply allocated and transferred in accordance with administrative prices. If this was true then it also implied that labour-power was not really a commodity; a conclusion that Cliff was forced to accept. Indeed, as Cliff argued, if labour-power was to be a commodity then the worker had to be free to sell it periodically to the highest bidder. If the worker could only sell his ability to work once and for all then he was little different from a slave since in effect he sold himself not his labour-power. Yet in the USSR the worker could only sell his labour-power to one employer, the state. Hence the worker was not free to sell to the highest bidder and labour-power was not really a commodity.

### The flaws in Cliff's theory of state capitalism

At first sight Cliff provides a convincing theory of state capitalism in the USSR which not only remains firmly within the broad orthodox Marxist tradition, but also preserves much of Trotsky's contribution to this tradition. As the post-war era unfolded leaving the Stalinist bureaucracy more firmly entrenched than ever, Cliff's analysis of the USSR became increasingly attractive. Without the problems facing orthodox Trotskyist groupings following the apparent failure of Trotsky's predictions of the fall of the Stalinist bureaucracy, Cliff, under the slogan of 'neither Washington nor Moscow', was in a perfect position to attract supporters with the revival of interest in Leninism and Trotskyism of the 1960s and 1970s. Indeed, with the International Socialists Group, which then became the Socialist Workers' Party, Cliff has been able to build one of the largest Leninist groupings in Britain whose most distinctive feature has been its refusal to take sides in the Cold War.<sup>36</sup>

However, despite the attractiveness of Cliff's theory of state capitalism in the USSR, on close inspection we find his theory has vital weaknesses which have been seized on by more orthodox Trotskyists. Indeed, these weaknesses are so serious that many have concluded that Cliff's theory is fatally flawed. This opinion has even been recognized within the SWP itself and has resulted in various attempts to reconstruct Cliff's original theory.<sup>37</sup> As we shall argue, these flaws in Cliff's theory arise to a large extent from his determination to avoid critical confrontation with both Trotsky and the broader orthodox Marxist tradition.

There are three main flaws within Cliff's theory of state capitalism in the USSR. The first concerns Cliff's insistence that the final ascendancy of Stalin, and with this the introduction of the first five year plan, marked a

counter-revolution which overthrew the workers' state established by the October revolution and turned Russia over to state capitalism. The issue of when the USSR became state capitalist is clearly a sensitive one for Trotskyists since, if Cliff is unable to hold the line at 1928, then what is to stop the date of the defeat of the revolution being pushed right back to 1917? Lenin and Trotsky would then be seen as leading a revolution that simply introduced state capitalism into Russia! Such fears were clearly expressed by Ted Grant in his response to Cliff's original presentation of his theory in *The Nature of Stalinist Russia*. Then Ted Grant warned:

'If comrade Cliff's thesis is correct, that state capitalism exists in Russia today, then he cannot avoid the conclusion that state capitalism has been in existence since the Russian Revolution and the function of the Revolution itself was to introduce this state capitalist system of society. For despite his tortuous efforts to draw a line between the economic basis of Russian society before the year 1928 and after, the economic basis of Russian society has in fact remained unchanged.' (Ted Grant, *The Unbroken Thread*, p. 199)

The first line of attack that has been taken by orthodox Trotskyists has been to argue that if there had been a counter-revolution against, rather than from within, the revolution itself, which restored Russia to capitalism, then the workers' state would have to have been violently smashed. Any attempt to argue for a gradual and peaceful restoration of capitalism would, as Trotsky himself had said, simply be 'running backwards the film of revisionism'.<sup>38</sup> Yet, despite the expulsions of Trotsky and the United and Left Oppositions in 1928, the leadership of the Party and the state remained largely intact. Indeed there seems more of a continuity within the state before 1928 and afterwards rather than any sharp break that would indicate a counter-revolution, let alone any violent *coup d'état* or violent counter-revolutionary action.

Cliff attempted to counter this line of attack by arguing that while it is necessary for a proletarian revolution to smash the bourgeois state in order to construct a new revolutionary proletarian state, it is not necessarily the case that a counter-revolution has to smash an existing workers' state.<sup>39</sup> The example Cliff used was that of the army. In order to create a workers' state the bourgeois standing army has to be transformed into a workers' militia. But any such transformation inevitably would be resisted by the officer corp. Such resistance would have to be violently crushed. In contrast, the officers of a workers' militia may become increasingly independent to the point at which they become part of the bureaucracy thereby transforming the workers' militia into a bourgeois standing army. Such a process, in which



a workers' militia becomes transformed into a standing army, does not necessarily meet any concerted resistance, and as a consequence may occur gradually.

Yet such an argument by itself fails to pin the counter-revolutionary break on 1928. Indeed, Cliff's example would seem to imply that the counter-revolution was brought about by Trotsky himself when he took charge of re-organizing the Red Army in 1918 on the lines of a conventional standing army! The only overt political indication Cliff is able to present for the bureaucratic counter-revolution is the Moscow show trials and purges, which he claims were:

'the civil war of the bureaucracy against the masses, a war in which only one side was armed and organized. They witnessed the consummation of the bureaucracy's total liberation from popular control'. (*State Capitalism in Russia*, p. 195)

Yet the Moscow show trials occurred in the 1930s, not in 1928.

What was crucial about 1928 was that it was the year that marked the beginning of the first five year plan and the bureaucracy's commitment to the rapid industrialization of Russia. For Cliff, by adopting the overriding imperative of industrializing Russia, regardless of the human cost this would involve, the Soviet bureaucracy had taken on the historic role of the bourgeoisie. In adopting both the economic and historic functions of the bourgeoisie the bureaucracy had transformed itself into an exploitative class. Whereas before 1928 the bureaucracy had simply been a privileged layer within a degenerated workers' state that was able to gain more than its fair share of the nation's wealth, after 1928 the bureaucracy became the state capitalists who collectively exploited the working class.

Of course, it was not difficult for Cliff to show that there had been a sharp decrease in the material conditions of the working class following the introduction of the first five year plan as the bureaucracy sought to make the proletariat pay the huge costs of the policy of rapid industrialization. However, Cliff's argument that this sharp decrease in material conditions of the working class represented a qualitative shift towards the exploitation of the working class by the bureaucracy was far from convincing. If anything Cliff's attempts to show a qualitative shift in social relations of production only serve to indicate that bureaucratic exploitation of the working class had existed before 1928.

Yet perhaps more devastating to the credibility of Cliff's line of argument among Trotskyists was that by suggesting that with the imposition of the policy of rapid industrialization the bureaucracy had finally transformed itself into an exploitative class, and in doing so transformed Russia from a degenerated workers' state

into state capitalism, Cliff was in effect attacking Trotsky! Had it not been the main criticism advanced by Trotsky and the Left Opposition against Stalin that he had not industrialized soon enough?! Was not the central plank of Trotsky's understanding of the Russian Revolution that the productive forces had to be advanced as fast as possible if there was to be any hope of socialism? If this was so, was not Cliff accusing Trotsky of advocating state capitalism?! Ultimately Cliff is unable to circumvent Trotsky's intrinsic complicity with Stalin. As a consequence, the failure to break with Trotskyism led to this vital flaw in Cliff's theory of state capitalism in Russia.

Yet this is not all. Cliff's failure to critically confront orthodox Marxism opened up another even more important weakness in his theory of state capitalism which has been seized upon by his more orthodox Trotskyist critics. This weakness stemmed from Cliff's denial of the operation of the law of value within the USSR.

As we have seen, for Cliff the USSR was constituted as if it was one huge capitalist enterprise. As such there could be no operation of the law of value internal to the USSR. However, as Marx pointed out, it is only through the operation of the law of value that any capitalist enterprise is constrained to act as capital. If there was no law of value internal to the state economy of the USSR what made it act as if it was a capitalist enterprise? The answer was the Soviet Union's relation to world capitalism. It was through the competitive political and economic relation to the rest of the capitalist world that the Soviet Union was subordinated to the law of value, and it was through this subordination to the law of value that the capitalist nature of the USSR became expressed.

However, as Cliff recognized, the Soviet Union, with its huge natural resources, had become largely self-sufficient. Foreign trade with the rest of the world was minimal compared with the amount produced and consumed within Russia itself. As a result Cliff could not argue that the international law of value imposed itself on the Russian economy through the necessity to compete on the world market. Instead, Cliff had to argue that the law of value imposed itself indirectly on the USSR through the necessity to compete politically with the major capitalist and imperialist powers. In order to keep up with the arms race, particularly with the emergence of the Cold War with the USA, the USSR had to accumulate huge amounts of military hardware. This drive for military accumulation led the drive for accumulation elsewhere in the Russian economy. Indeed, this military competition could be seen to spur capital accumulation, and with it the exploitation of the working class, just as much, if not more so, than any economic competition from the world market could have done.<sup>40</sup>



However, as Cliff's Trotskyist critics point out, for Marx the law of value does not impose itself through 'competition' as such, but through the competitive exchange of commodities. Indeed, it is only through the exchange of commodities that value is formed, and hence it is only through such exchange that the law of value can come to impose itself. Military accumulation is not directly an accumulation of values but an accumulation of use-values. In a capitalist economy such an accumulation can become part of the overall process of the accumulation of value, and hence of capital, insofar as it guarantees the accumulation of capital in the future by protecting or else extending foreign markets. However, in itself military accumulation is simply an accumulation of things, not capital. So in capitalist countries military spending suppresses value and the law of value temporarily in order to extend it later. Given that the Soviet Union did not seek to expand value production through the conquest of new markets, military production meant the permanent suppression of value and the law of value in that it was simply the production of use-values required to defend a system based on the production of use-values.

For the more sophisticated Trotskyists, Cliff's attempt to invoke military competition as the means through which the USSR was subordinated to the law of value exposed the fundamental theoretical weakness of Cliff's theory of state capitalism in Russia. The argument put forward by Cliff that under state capitalism 'the accumulation of value turns into its opposite the accumulation of use-values' is nothing but a sophistry which strips away the specific social forms that are essential to define a particular mode of production such as capitalism. As they correctly point out, capital is not a thing but a social relation that gives rise to specific social forms. The fact that military hardware is accumulated is in no way the same thing as the accumulation of capital. Without the production of commodities there can be no value and without value there can be no accumulation of capital. But Cliff argues there is no production of commodities in the USSR, particularly not in the military industries, since nothing is produced for a market, thus there can be neither value nor capital.

This point can be further pressed home once Cliff's critics turn to the question of labour-power. For Marx the specific nature of any mode of production was determined by both the manner and forms through which the dominant class are able to extract surplus-labour from the direct producers. Within the capitalist mode of production surplus-labour is extracted from the direct producers by the purchase of the worker's labour-power as a commodity. As a consequence, surplus-labour is expropriated in the form of surplus-value which is the difference between the value of labour-power (i.e. the

costs of reproducing the worker's ability to work) and the value the worker creates through working. However, for Cliff, labour-power was not a commodity in the USSR and was not therefore really sold. But if labour-power was not a commodity it could not have a value, and hence any surplus-labour extracted could not take the form of surplus-value. If surplus-labour did not take the form of surplus-value how could the USSR be in any sense capitalist in strict Marxist terms?!

The third fatal flaw in Cliff's theory of state capitalism in Russia, and one that arises from his commitment to orthodox Marxism, is the view that state capitalism is the highest stage of capitalism. As we have seen, it is central for Cliff that state capitalism was the highest stage of capitalism since it was from this premise that he could claim that state capitalism was at the point of transition from capitalism to socialism. But if state capitalism is the highest stage of capitalism, and if it is accepted that the USSR is state capitalist, then this would seem to imply that, in some fundamental sense, the USSR should be in advance of Western capitalism. Of course, this may have seemed reasonable in the late 1940s. After all, under Stalin the USSR had made an unprecedented leap forward with the rapid industrialization of Russia, and it seemed that the Soviet Union was set to outperform most of capitalist economies in the West in the post-war era. However, in the following decades the economic stagnation and economic waste of the 'Soviet system' became increasingly apparent, culminating with the collapse of the USSR in 1990. This, combined with the globalization of capital, which has seriously undermined the efficacy of state intervention in Western capitalism, has meant that the notion that capitalism is tending towards state capitalism is now far less convincing than it was fifty years ago. As we shall see in the next issue, although Cliff did develop a theory to explain the economic stagnation in the Soviet Union it proved insufficient to explain the final crisis and collapse of the USSR. This point has been taken up with relish by Cliff's more orthodox critics, who now feel vindicated that the Stalinist system has proved ephemeral and, as Trotsky predicted, capitalism has been restored, albeit after some delay.

So, despite its practical appeal during the post-war era, Cliff's theory of state capitalism in Russia was theoretically, at least for orthodox Trotskyists, fatally flawed. Indeed, for the more sophisticated Trotskyists Cliff's theory is usually dismissed with little more ado, and then presented as an example of the weakness of all theories of state capitalism. But Cliff's theory of state capitalism in the USSR is by no means the original or foremost one, although it is perhaps the most well known. In the next issue we shall begin by considering other theories of state capitalism in the USSR that have arisen



amongst the left communists before turning to examine a degenerated workers' state and state capitalist theories.  
Ticktin's efforts to go beyond both the theory of Russia as

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<sup>1</sup> For convenience we shall at times use the term 'state capitalism' for all theories that consider the Soviet Union to have been capitalist. As N. Fernandez points out in a forthcoming book, *Capitalism and Class Struggle in the USSR*, many theories, for example those of Bordiga and more recently Chattopadhyay, have for good theoretical reasons avoided the term 'state capitalism' in their accounts of the USSR. We will deal with some of the issues raised by the term 'state capitalism' in more detail in the next issue of *Aufheben*.

<sup>2</sup> 'Ultra-left' is a loaded and ambiguous term. It was originally a term of abuse used by Lenin against communists and revolutionaries, particularly in West European countries such as Holland, Germany and Italy, who refused to accept the Bolshevik model of revolution and the right of the Russian Communist Party to determine the tactics and leadership of the world Communist movement. These communists were among the first to put forward the idea that Russia was a form of state capitalism. We shall examine such theories in the next issue. On the term itself it should be noted that most people accused of ultra-leftism by Leninists would argue that they are simply communists and that the left, including their accusers, are not. The matter is further confused by the tendency of Leninists to denounce each other for 'ultra-leftism' for such heinous crimes as not voting Labour. Perhaps more importantly for us, the term 'ultra-leftism' indicates an acceptance, along with Trotskyism, of the idea of tracing one's tradition back to the social democracy of the Second and Third Internationals. While we will happily restate our position that the German, Dutch and Italian left communists did maintain some important lessons from the revolutionary wave following the First World War, we do not think they had the last word on what revolutionary theory and practice is for us today. This will become clearer once we come to examine their theories of the Soviet Union.

<sup>3</sup> Of course, prisoner support work is an important part of any serious movement against the state, and in the particular circumstances of the anti-poll tax movement when Militant threatened to grass people to the police it did define a radical engagement in the struggle. But there is nothing inherent in leftism that leads it to ignore prisoners. Simply criticising the 'left' for not supporting prisoners ends up as little better than ritual denunciation of the left for being 'boring middle class wankers', a poor excuse for a proper critique. Yet it is perhaps little surprise that prisoner support has become an almost definitive position amongst many anarchists now that denouncing the left for supporting the USSR is no longer viable.

<sup>4</sup> There is little doubt that it was the fear that the whole of Western Europe might go over to the Eastern Bloc in the years following the Second World War which prompted the American bourgeoisie to pour billions of dollars into shattered West European economies in the form of Marshall Aid.

<sup>5</sup> It should be remembered that the reformist parties of the Second International not only betrayed their commitment to opposing the First World War and, as such, were complicit in the decimation of a whole generation of the European working class, but they also played an important role in

crushing the revolutions that swept much of Europe following the war. For example, it was under the orders of a Social Democratic government that the German Revolution was crushed and such revolutionary leaders as Rosa Luxemburg and Karl Liebknecht killed. Such crimes could not be that easily forgotten.

<sup>6</sup> Of course, at this point some may object that Trotsky's record proves that he was a counter-revolutionary and, as a consequence, dismiss any detailed consideration of his theory of the USSR as a degenerated workers' state. For us an extensive consideration of Trotsky's theory of the USSR as a degenerated workers' state is important not only because this theory has become a central reference point for criticisms of the Soviet Union, but also because it is important to show how Trotsky's theory emerged directly from the objectivism of orthodox Marxism and was in no way a betrayal of such traditions. Hence our focus will remain on the political economy that developed in the USSR, rather than offering a blow by blow account of the revolution/ counter-revolution. For details on the 1917-21 period that undermine the Leninist account of the Russian Revolution see M. Brinton *The Bolsheviks and Workers' Control* (London: Solidarity). For a more general critique of the orthodox Marxism of both the Second and Third Internationals see Guy Debord *The Society of the Spectacle* Chapter IV (London: Practical Paradise).

<sup>7</sup> In what follows some readers may think we are treating Trotsky's theory with too much respect. For some it is enough to list his bad deeds. Some focus on his actions in 1917-21, others more on Trotsky's later failure to maintain revolutionary positions which culminated with his followers taking sides in the Second World War. From this it often concluded that Trotsky's Marxism was always counter-revolutionary or, as many left communists argue, that at some point Trotsky crossed the class line and became counter-revolutionary. Either way Trotsky's theory of a degenerated workers' state can be summarily dismissed as a position outside the revolutionary camp. For us, however, Trotsky's theory of the USSR, and its dominant hold over many critical of Stalinism, reflects fundamental weaknesses of orthodox Marxism that should be grasped and overcome. There are very powerful reasons why heterodox Marxists have found it hard to grasp the USSR as capitalist. In rejecting Trotsky's theory of the USSR as a degenerated workers' state it is not for us a matter of showing how he 'betrays the true revolutionary heritage of pre-1914 social democracy and orthodox Marxism', but rather it involves recognizing how true he was to this tradition.

<sup>8</sup> Trotsky originally developed the theory of permanent revolution in collaboration with Parvus. After Parvus withdrew from Marxist politics the theory eventually became ascribed to Trotsky.

<sup>9</sup> Trotsky is himself not very clear at this point as to why the very backwardness of peasantry would lead a substantial part of this class to maintain its support for a workers' government committed to introducing socialist policies. However, this apparently paradoxical position can be resolved if we consider a little more closely Trotsky's view of the peasantry. For Trotsky the backwardness and heterogeneity of the peasantry



meant that it was inherently incapable of developing a coherent organization that could formulate and advance its own distinct class interests. As a consequence the peasantry could only accept the leadership of other classes i.e. either the bourgeoisie or the proletariat. From this Trotsky could conclude that once the peasantry had accepted the leadership of the proletariat it would have little option but to be swept along by the policies of a workers' government, even beyond the point where such policies began to impinge on the peasants' own immediate class interests, since they would be unable to formulate any viable alternative.

<sup>10</sup> See *The Revolution Betrayed* by Leon Trotsky, Pathfinder Press, 1972.

<sup>11</sup> We shall give more attention to the ideas Lenin's left communist opponents in the next issue of *Aufheben*.

<sup>12</sup> Following Engels, it was generally accepted within orthodox Marxism that there could be no leap from capitalism to a fully fledged communist society in which the state, money and wage-labour had been abolished. It was envisaged that any post-capitalist society would have to pass through a lower stage of communism during which the state, money and wage-labour would gradually wither away as the conditions for the higher stage of communism came into being. This lower stage of communism became known as socialism.

<sup>13</sup> For example, in his *Leon Trotsky's Theory of Revolution* John Molyneux says 'Suffice it to say that in the early years of the revolution Trotsky stood on the authoritarian wing of the party'. Of course, as Kowalski has pointed out, the divisions of left/right, libertarian/ authoritarian may over simplify the complex of political positions taken up among the Bolsheviks during this period. However, it is quite clear that Trotsky was neither on the left nor the libertarian wings of the Party at this time.

<sup>14</sup> As both Engels and Kautsky had pointed out in relation to Germany, the fundamental barrier to the development of industrial capitalism was the low productivity of traditional forms of small-scale peasant agriculture. If the urban populations necessary for industrialization were to be fed then the peasants had to produce an agricultural surplus over and above their own immediate needs. So long as traditional forms of agriculture persist the total amount of agricultural produce is limited. Thus the only way to produce the surplus necessary for industrialization is to depress the living standards of the peasantry through such means as high rents and taxation. Yet the scope for squeezing the peasants' already impoverished living standards is limited. Sooner or later there has to be an agricultural revolution which, by concentrating production in large scale farms, allows the introduction of modern mechanized production methods. Under capitalism this occurred either through the landlords or the richer peasants appropriating land and transforming themselves into capitalist farmers. The socialist alternative was to collectivize agriculture. By grouping peasants together in collectives large scale production would be made possible without dispossessing vast numbers of poor peasants. In Russia this agrarian problem was particularly acute. Before the revolution the peasants had been forced to produce for the market in order to pay rents and taxes to the landlords and the

state. This surplus had then been used both to feed the urban populations and for export to earn the foreign currency needed to pay for the import of foreign capital required for industrialization. However, with the Stolypin reforms of 1906, the Tsarist regime had made a decisive effort to encourage the development of capitalist agriculture amongst the richer peasants. But this 'wager on the strong' peasant was cancelled by the revolution. The expropriation of the landlords and the redistribution served to reinforce small-scale subsistence agriculture. With neither the compulsion nor any incentive to produce a surplus on the part of the peasant, food supplies to the urban areas fell. It had been this that had compelled the Bolshevik Government to introduce direct requisitioning under War Communism. With the NEP, the Bolshevik Government now sought to provide incentives for the richer peasants to produce for the market. Collectivization was ruled out since for it to succeed on a large scale it required a sufficient level of industrialization to allow the mechanization of agriculture. To this extent the NEP represented, in part, a retreat to the Tsarist policy of encouraging the growth of capitalist agriculture amongst the rich peasants. We shall examine further this crucial agrarian question in more detail in the next issue.

<sup>15</sup> Trotsky coined the phrase 'scissors crisis' in his speech to the 12th Party Congress in April 1923. Trotsky argued that, left to the market, the uneven development between agriculture and industry could only lead to violent fluctuations between the prices of industrial goods and agricultural prices which could only undermine the NEP. Although agricultural production recovered rapidly after the introduction of the NEP, industrial production lagged behind. As a result the price of industrial goods had risen far faster than agricultural prices, 'opening the price scissors' and threatening to undermine the incentives for the peasants to produce for the market in the following season. By October the predicted crisis struck home with the sales of grain plummeting. Following this 'scissors crisis', measures were introduced to control industrial prices.

<sup>16</sup> While Stalin had established his power-base as head of the organization of the Party through out the USSR, Zinoviev had built his power-base as head of the Party in Leningrad, and Kamenev had his power-base as the head of the Moscow Party.

<sup>17</sup> During the industrialization debate in the mid 1920s, Trotsky, along with the rest of the Left Opposition, was repeatedly attacked by Stalin and his followers for being a 'super-industrializer' who wished to abandon the NEP and industrialize at the expense of the peasantry. This has been a common accusation made against Trotsky by Stalinists ever since. But it has also been a criticism taken up by anarchists and others to the left of Trotsky who argue that in adopting the policy of forced industrialization and forced collectivization after 1928 Stalin was simply implementing Trotsky's own ideas. In this way the essential complicity between Stalin and Trotsky can be demonstrated. In his article 'The Myth of the Super-Industrializer', which was originally published under a different title in *Critique 13* and now reprinted in *The Ideas of Leon Trotsky* edited by Michael



Cox and Hillel Ticktin, Richard Day has sought to defend Trotsky from such accusations by both distancing him from the more polemical positions of Preobrazhensky and stressing his support for the workers' and peasants' alliance embodied in the NEP. But this does not prove much. None of the main protagonists in the industrialization debate, not even Preobrazhensky, argued for the abandonment of the NEP and the workers' and peasants' alliance. What is telling is Trotsky's own criticisms of Stalin's eventual policy of forced industrialization and collectivization. In *The Revolution Betrayed* Trotsky does not criticize Stalin's industrialization policy as such - indeed he is careful to praise the great achievements made by Stalin under this policy - but rather the 'zig-zags' made in bringing this policy about. For Trotsky the problem was that Stalin's reluctance to adopt the policy of industrialization put forward by the Left Opposition in the mid-1920s meant a sharper 'turn to the left' and a more rushed and unbalanced industrialization later in order to solve the crisis of 1928. But the crucial question is: if Stalin had shifted the burden of industrialization onto the peasantry a few years earlier, would this have been really sufficient to have averted the grain procurement crisis in 1928 and avoided the disaster of forced collectivization in which millions of peasants died?

<sup>18</sup> For a critique of orthodox Marxist interpretations of Marx's theory of commodity fetishism see 'The Myth of Working Class Passivity' by David Gorman in *Radical Chains 2*.

<sup>19</sup> It should be noted that *What is to be Done?* was a particularly extreme formulation of democratic centralism that emerged out of a polemic against those Marxists who had argued that the class consciousness of the working class would necessarily develop out of economic struggles during a period of retreat in the class struggle. However, Lenin's position concerning democratic centralism can be seen to have undergone sharp shifts in emphasis depending on the political circumstances. At various points before 1917 Lenin's position would have been little different from that of Trotsky.

<sup>20</sup> As well as Bolshevik left communists, many anarchists were also taken in by the 'libertarian flavour' of the conception of post-revolutionary power outlined in Lenin's *State and Revolution*. This led to accusations that Lenin's actions after seizing power were a betrayal of the ideas he had himself set out in *State and Revolution*, and it is then suggested that Lenin had never really believed in them. But while it is undoubtedly true that Lenin did abandon some of the measures he called for in *State and Revolution*, that text was itself ambiguous, calling for a 'socialist revolution with subordination, control, and foremen and accountants'.

<sup>21</sup> See for example 'Can the Bolsheviks Retain State Power?' in Lenin's *Collected Works*, Vol. 26, p. 87.

<sup>22</sup> The methods of 'scientific management' advocated by Lenin were based on those developed by the most advanced capitalist enterprises in the West and which had become known as Taylorism. Taylorism had been specifically developed to break the control of the skilled worker over the immediate production process. Under Taylorism the production process was re-organized and rationalized in a way which removed the initiative of the individual worker

and concentrated the overall knowledge and control of how things were produced into the hands of specialized managers. Lenin's enthusiasm for Taylorism, an enthusiasm shared by Trotsky, is perhaps one of the areas where Lenin most clearly distinguishes his position from a communist one.

<sup>23</sup> It should be recognized that most of these armies did not seriously fight the Bolsheviks. The civil war, as a war between organized armies, was a battle between the Red Army and the Whites, who had material support from the West. But, as well as this, vast numbers of peasants and deserters fought both sides. Indeed, one could say the 1918-21 period was as much a peasant war as anything else.

<sup>24</sup> The introduction of one-man management and scientific management, together with the consequent transfer of power away from the factory committees to, first the trade unions and then to the Party, is well documented in *Bolsheviks and Workers' Control* by M. Brinton. As Brinton shows this process began at a very early stage in the Revolution, well before the start of the civil war in the Summer of 1918.

<sup>25</sup> Given the task of organising the military defence of the revolution Trotsky spent little time in abandoning the Red Guard militias that had been formed immediately after the October Revolution in favour of building a conventional standing army. At first Trotsky sought to recruit from volunteers amongst the more advanced sections of the working class, and in accordance with the procedures established within the Red Guards, allowed officers to be elected directly from Soldiers' committees and assemblies. However, once he had established a reliable core for the new Red Army, Trotsky introduced conscription drawing recruits from the broad masses of peasants and workers. With what he considered as less reliable troops, Trotsky abandoned the direct election of officers in favour of the appointment of professional commanders which were mostly drawn from the former Tsarist army. To oversee and check any counter-revolutionary tendencies amongst this officer corp., Trotsky appointed political officers, or commissars, drawn from the Party each of whom were attached to a particular military commander.

<sup>26</sup> As Knei-Paz has pointed out, the idea that the emergence of the bureaucracy represented a Russian Thermidor had been first advanced by the Democratic-Centralist Opposition in the early 1920s. At that time, when he still held a leading position within the Party, Trotsky had firmly rejected the idea of a Russian Thermidor as being 'ultra-leftist'. However, by 1929, facing disgrace and exile, Trotsky began to come round to the idea and it was only by the mid-1930s that came to fully formulate it within his criticisms of Stalinism. See *The Social and Political Thought of Leon Trotsky* (Oxford, Clarendon Press) by B. Knei-Paz pp. 394-5.

<sup>27</sup> Trotsky's 'orthodox Marxist' and objectivist idea of history as fundamentally about the progressive development of the productive forces is perhaps the key to understanding the underlying weakness of his theory of the degenerated workers' state. For Trotsky's lyrical accounts of how Stalinist Russia developed the forces of production we need go no further than the opening pages of *The Revolution Betrayed*. On Page 8 of this work Trotsky declares: 'With the bourgeois economists



we no longer have anything to quarrel over. Socialism has demonstrated its right to victory, not in the pages of *Das Kapital*, but in an industrial arena comprising a sixth of the earth's surface - not in the language of dialectics, but in the language of steel, cement and electricity'.

<sup>28</sup> With the publication of Marx's early writings, particularly the *Economic and Philosophical Manuscripts*, it is clear that for Marx the basis of capitalism is not private property but alienated labour. This point, as we shall see, is vital not only in making a critique of orthodox Marxism but in any attempt to develop a materialist theory of the USSR.

<sup>29</sup> Of course, at a more concrete level, it is clear that not all of the capitalist class directly exploit the working class. Bankers and merchant capitalists, for example, draw a share of the surplus-value produced by the industrial capitalists by virtue of their special functions in financing production, and by circulating the commodities subsequently produced. Yet these functions can themselves be seen to be rooted in private property. The bank advances money to finance production as a loan of its own private property, and duly obtains a share in the surplus-value in the form of interest. Likewise, by buying the commodities produced by the industrial capitalist, the merchant capitalists advance their own money-capital to realize the value produced for the industrial capitalist ahead of the commodities' actual circulation. In doing so the merchant capitalists appropriate a slice of the surplus-value expropriated by the industrial capitalists in the form of the difference between what they pay the industrial capitalists and what they sell the commodities for to the consumers.

<sup>30</sup> See *The New Constitution of the USSR*.

<sup>31</sup> As we have already noted, the notion that the concentration and centralization of capital inevitably led towards the fusion of state and capital had been central to the orthodox Marxism of the Second International. It had followed from this that the decisive shift from capitalism to socialism occurred with the working class seizing state power. The main question that then divided orthodox Marxism was whether this seizure of state power required a revolution or whether it could be achieved through peaceful democratic means. In *What is to be Done?* Lenin came to define his own position regarding the primacy of the political. Against the 'economism' of those who saw socialist revolution arising directly out of the economic struggles of the working class, Lenin had argued for importance of establishing a political party which could seize state power. Of course, it was the basis of this 'politicism' which, by implying that the realm of the political can to some extent determine the nature of society, has allowed Leninists to argue that the USSR was a workers' state while at the same time admitting that the social relations of production may have remained capitalist. As we shall see in the next issue, it was the inability of most left communists to fully break from this 'politicism' that undermines their critique of the Bolsheviks.

<sup>32</sup> It was this very transitional character of the Soviet bureaucracy which meant that it was difficult to define what it was. So although Trotsky settled on calling it a 'caste' he accepted this was an unsatisfactory categorization of the Soviet bureaucracy.

<sup>33</sup> One of the first groups to develop a proper theory was the 'state capitalist' minority within the Workers' Party. This minority later emerged as the Johnson-Forest Tendency after the pseudonyms of its main theorists - C.L.R. James and Raya Dunayevskaya. With the collection of previously unavailable writings we can now see that this theory is much stronger than it appears from some of their earlier published works and is far superior to Cliff's version. See *The Marxist-Humanist Theory of State Capitalism*, by R. Dunayevskaya, News & Letters, Chicago, 1992. Since the Johnson-Forest Tendency quickly broke from Trotskyism by rejecting vanguardism and emphasizing workers' autonomy we shall deal with them in more detail in the next issue.

<sup>34</sup> See *Trotskyism and the Dilemma of Socialism* by C. Hobson and R. Tabor, Greenwood, Westport, 1988.

<sup>35</sup> The Revolutionary Communist Party subsequently broke up and should not be confused with the Revolutionary Communist Party that is around today.

<sup>36</sup> Though this has not stopped the SWP giving 'critical support' to some nationalist and Stalinist movements in 'non-imperialist' parts of the world.

<sup>37</sup> For a critique of Cliff's theory of state capitalism from a Trotskyist point of view see the collection of articles on the nature of the USSR in *Open Polemic 4 & 5*.

<sup>38</sup> That is the reformism that had been put forward by Bernstein and his followers in the debates in the Second International that there could be a peaceful transition to socialism through democratically won reforms.

<sup>39</sup> Cliff was able to cite Trotsky's reaction to Stalin's constitution where he argued that it was the basis for the restoration of capitalism in the USSR as support for the possibility of peaceful counter-revolution.

<sup>40</sup> While most Trotskyists in the 1940s clung on to the belief that the immediate post-war economic boom would be short lived and as a consequence repeatedly predicted an imminent return to an economic slump, Cliff was one of the first to seek to explain the persistence of the post-war economic boom. Central to this explanation was Cliff's theory of 'a permanent arms economy' in which high levels of military spending acted to defer the full effects of the overaccumulation of capital which had led to the great slump of the 1930s. The notion that the permanent arms economy was mirrored in the Soviet Union fitted neatly into Cliff's overall emphasis on the importance of military accumulation for modern capitalism.





# Intakes: Death of a Paper Tiger...

## Reflections on Class War

The Class War Federation have recently announced their decision to dissolve themselves. The last issue of their paper (Summer 1997) gives some reasons why and also serves as a *post mortem* on the history of Class War. This prompted the following reflection by some comrades, which we have included as the *Intakes* article for this issue.

*(Note: although the article dwells on the aspects of Class War we feel need to be most criticized, this is partly to counteract the somewhat self-congratulating boastful attitude that lies alongside the more useful self-critical insights in the final issue of the paper. But we do recognize that some people joined Class War out of a sincere desire to challenge this society and did some good things to further that goal while in Class War. Our point is that the effectiveness of such actions was not determined by their membership in the publicity machine called Class War (except on those occasions when the group orthodoxy became an obstacle to action); their participation was not necessarily any more effective than others trying to achieve the same goals. Organizational loyalties only became relevant in struggles when they become a hindrance and a cause for separation.)*

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On the level of appearances, which was always their main form of existence, Class War was essentially a marketing concept of the 80s - a kind of anarcho-Saatchi and Saatchi. Like the Tories under Thatcher, they invented a new way to *sell politics* to the working class. Thatcherism achieved a crushing victory in the arena of class conflict, and its tactics have been copied by ruling classes across the globe. Politically it has even succeeded in redefining its opposition; Tony Blair's New Labour is only the most obvious example, but we can also see Class War as the bastard child of Thatcherism. At a time when Thatcherite policies were destroying or radically restructuring the industries and communities that had been the strongholds of class struggle (and thereby also destroying the old *forms* of struggle) Class War responded by publicising themselves as the defenders of the traditional working class values of these communities. This took the form of various kinds of opportunism such as the Bash the Rich marches; media spectacles designed

only to publicize the organization and keep its personnel occupied.<sup>1</sup>

The Hampstead Bash the Rich march was not allowed into the area and was instead diverted by the cops through the back streets of Camden. It was ironic to see council tenants watching from their balconies as a couple of hundred predominantly anarcho-punk types marched down their streets with a banner proclaiming 'Behold Your Future Executioners!' Publicising a Bash the Rich march in advance is like informing the law beforehand of your intention to hold up a bank. Other opportunisms included their adoption of archaic cockney slang - denouncing swanky toffs etc - the sub-Chas 'n' Dave mockney style betraying the London-centrism of the 'national' paper. Logically, to be really populist, they should have done other regional dialect issues of the paper - perhaps an 'ee by gum' Yorkshire issue or 'De Cluss War' in Jamaican patois to be truly patronising?

Class War's other main stereotype was of the typical proletarian rebel as young, white, living on an estate and swearing a lot; like all organizations looking for a constituency to recruit from and sell to, Class War reduced all the individual and collective diversity of real

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<sup>1</sup> According to an ex-member: 'Class War isn't based on any practically applicable theory, hasn't any practice to build a theory on and these deficiencies have often been felt during the low activity periods. But instead of discussing these gaps and ways to tackle them, the leadership - aware it has nothing to gain from such debates - prefers loud speeches and has always managed to impose its diversions: at the end of the miners' strike, during which no revolutionary critique of the NUM was published for fear of putting off the miners, the first problem cropped up: what was Class War and what was it to become as it had not much left to go on about? Inspired by its nostalgia for the '81 summer [riots], the leadership took the Bash the Rich Campaign out of the hat - a smoke screen that effectively prevented any profound discussion for over 6 months. This campaign ... failed for the ... simple reason: the proletariat doesn't give a shit for militants nor for these artificial, desperate calls for action.' From 'A view on Class War by a former member' [Julian] *Flamethrower*, London 1986.



people down to a convenient lowest common denominator.

Class War always projected an anti-intellectual pose as part of their identikit working class image; in effect this meant being generally anti-theoretical and ahistorical. This denial of an historical perspective led them to define the working class, its interests and consciousness in terms of their most immediate, temporary and shallow manifestations. This was the basis of Class War's adopted tabloid style.

Obsessed with the powerful social influence of the *content* of the media, and constantly prostituting the organization as a public image, Class War failed to grasp any real understanding of the social function of the media *form*. Populist journalism was an invention of middle class tabloid hacks which claimed to speak for and represent the working class - but like all media representatives, the real function was to pacify and manipulate. Its intention was to mould working class identity, not merely to reflect it. The desired effect of all popular journalism (of whatever creed) is to suspend critical thought and encourage predictable (Pavlovian) responses.

Class War failed to see tabloid populism as an historical trend needing to be ridiculed, but instead took it at its face value and embraced it. As the mass media came to invade daily life more and more, this and other factors combined to close off areas within working class culture where people could find time and space to think, read, reflect, discuss and debate social questions and organize struggle around their needs. There has been a massive and unprecedented decline in class struggle in the UK since its high point in the '70s. A working class under attack and in retreat from Thatcherite monetarism, a more repressive architecture and policing changing the use of public space, new more isolated forms of leisure consumption etc. - all this contributed to a withering of a combative proletarian culture. More than ever before, opinion is no longer created but only received.

We live in the age of the sound-bite, where carefully constructed pre-arranged fragments of words and images are constantly recycled in the media. (The average length of a Party leader's sound-bite in the 1992 election was 18 seconds.) As always, the media is a one way transmission belt from Power to the passive spectator, offering only various impotent false choices. The whole process is a closed circuit, completely stage managed, denying the possibility for collective discussion and development of complex ideas and realities. An historical development of the repression of critical thought or cretinization process - influencing the whole of society - is at work here. With their anti-theoretical attitude, Class War unconsciously became a part of this process.

Class War's anxiety and awkward self-consciousness about using long words, abstract concepts, political

terminology etc. was a symptom of the retarding effects of their populism. (It was sometimes implied that being theoretical was 'elitist' or 'middle class' - a patronizing insult to the self-educating efforts of the historical working class movement. This was quite dishonest, as many Class War members had studied for degrees, and many were well read in what they might call 'difficult theory' - the Situationists, left communism, Barrot, Blob and Combustion. etc. The assumption seemed to be that while politicians like them could grasp it and were influenced by it, your mythical average prole couldn't or wouldn't be interested.<sup>2</sup>)

This retarding influence meant that Class War's analysis and coverage of events was usually quite limited and shallow, avoiding dealing with the real contradictions within the working class; especially the conservative aspects of working class culture, e.g. the internalized and conditioned values, attitudes and practices that are an obstacle to liberation.

*'Apart from opportunism, they also embody the other side of practical anarchism, elitism. Witness the weirdly affected tone of articles with titles such as "Why I hate the rich", written as though throughout our lives we only experience poverty because we are bossed about and because we have less money than the rich. There is no doubt that readers of Class War are supposed to be recruited opportunistically. The perfect reaction would be for Joe Worker or Joan Housewife to say, "Class War is the only paper which really puts the verbal boot in against the rich in real working class language; they really know the business."' (Anarchism Exposed, London, 1985).<sup>3</sup>*

Underlying this populism were certain patronizing assumptions about what the 'average prole' was capable

<sup>2</sup> 'The separation of "theory" from propaganda stems from an ... elitist motive: get the workers interested on a simple level and "politicise" them on the heavy stuff later.' *Refuse*, BM Combustion, 1978. *The Heavy Stuff* was Class War's theoretical journal; it contained some useful articles alongside a lot of vague generalities that often read like someone's rewritten sociology thesis. Articles were submitted by various individual members, but it was never a *collective* theoretical effort. *The Heavy Stuff* sank like a stone after a few issues.

<sup>3</sup> Class War were always ready to answer attacks from the Left and the media, but valid criticisms from a *radical* perspective, such as the *Flamethrower* article or *Anarchism Exposed*, were met with a deafening silence. To have dealt with these critiques demanded some theoretical self-reflection and discussion that would have threatened the fragile unity of the group, based as it was on an uneasy compromise, and challenged the arrogance of the group with facing its own repressed self doubt.



of comprehending and what projected image of Class War would make them most popular to the largest number of 'average proles'. While Class War remained on the terrain of wanting to escalate class struggle, their chosen methods only reinforced certain tendencies of existing society. Being basically anarchist, there could be no hierarchical leader figures to worship (although inevitably there was some informal internal hierarchy) but the real star of the show was the media image of the Class War organization itself - and all those associated with it could bask in its reflected glory. This was the source of the boring arrogance often displayed by Class War, along the lines of '*Class War is the bizness and does the bizness.*'

For most of the history of the proletarian movement, a demanding critical thought was not seen as alien or elitist. In fact research into the use of union libraries, workers' book collections, radical publishers etc shows that 'deep' theoretical works were often far more widely read amongst sections of the proletariat than the upper classes. Knowledge was something that had to be fought for collectively and did not come cheap to the poor, and was therefore all the more highly valued. Proles were open to theory if it could be seen to be useful and related to their own reality and struggle. There were also many lectures, debates, meetings and workers educational events regularly held; '*it can be estimated on the basis of published speakers' lists in various journals that between 1885 and 1939 there were approximately 100 street corner meetings per week throughout London.*'<sup>4</sup> Self-educated artisan/worker theoreticians produced by this international culture include; Weitling, Proudhon, Dietzgen, Bill Haywood, B. Tavern, Paul Mattick, Lucy Parsons, Makhno, Arshinov, Jack Common, Fundi the Caribbean Situationist etc.

All this is mentioned not in the interests of romantic nostalgia, but to show how much autonomous working class culture has been repressed, and the consequences of its loss that we have to suffer today. Class War's resort to tabloidism could never be a solution; you could never cure the problem by using the very form that had helped to create it.

The contradiction between Class War's stock-in-trade populism, which was their basis of existence, and the growing need of some members for greater theoretical clarity could not be resolved and ultimately it killed off Class War. The tabloid form, although a dead-weight, could not be abandoned without robbing Class War of its only identity and character. But this form was, by its very design, simplistic and reductive; wholly inadequate for and incompatible with theoretical expression and development.

*'Class War's main fault, and it includes all the others, is to be a political organisation as hundreds have existed in the world before, imbued with ideology, unable to look at the past and gain knowledge from it, more concerned with denouncing this society than with searching for its weaknesses and go on the offensive in a considered and coherent manner.'* (A view on Class War by a former member, op. cit.)

In any future proletarian social movement channels of direct collective communication will need to reappear as practice; in exactly what forms remains to be seen. Class War's populism pandered to the anti-intellectual/anti-theoretical tradition within British culture; as one of them put it, 'We want action not theory' - a slogan fit only for headless chickens. Many of the criticisms in this article were shared by some of Class War and were voiced internally; but these contradictions were never allowed to surface publicly, so as to preserve a 'sussed' group public image. This is the opposite of what is necessary - rather than the working class itself searching for an adequate theory and practice by confronting openly its own contradictions, instead a political faction attempting to recruit people around a false *image* of unity which is the result of repressed contradictions. If these criticisms and contradictions are worth mentioning now in the final *post mortem* issue of the paper, why were they not worth sharing with the readers when Class War was a functioning organization?

At the Anarchist Bookfair in 1985, when Class War were in their ascendancy, intoxicated by media attention and believing their own hype, a Class War celebrity got on stage and drunkenly announced to the assembled anarchoes, '*You pacifists and liberals have had the anarchist movement for long enough - now its our turn. And if we haven't turned this place into rubble within five years then you can have it back*' Well, 12 years on and it's Class War that are in ruins, with little but a collection of fading newspaper cuttings to show for it, while this society carries ruthlessly on. Testimony to the fact that you can't fight alienation with alienated means.

Sept 1997

Dedicated to Julian

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<sup>4</sup> Quoted from *Stilled Tongues - From Soapbox to Soundbite*, Stephen Coleman, Porcupine Press, 1977.



# Whatever happened to the Situationists?

## Review article:

**Public Secrets** by Ken Knabb

Berkeley: Bureau of Public Secrets, 1997.

**What is Situationism? A Reader** edited by Stewart Home

Edinburgh: AK Press, 1996.

The Situationist International (SI) was one of the most important revolutionary groups in the last 30 years. As many of our readers will know, the SI developed revolutionary theory to explain the misery and hence revolutionary potential that exists even in supposedly affluent modern capitalist societies. Their analysis predicted the character of the May 1968 almost-revolution in France, and members of the SI participated enthusiastically in the events of that period.<sup>1</sup> We could pick out any number of their arguments to illustrate the SI's vital contributions to revolutionary theory. Their most famous contribution is the concept of the spectacle, of course, an account of the contemporary form of alienation: 'The spectacle is not an aggregate of images but a social relation among people, mediated by images'.<sup>2</sup> The SI are also known for their sharp analysis of the revolutionary movement itself. Perhaps no other revolutionary group has subjected the idea of what it means to be a revolutionary to such searching self-criticism.

### The critique of 'the militant'

The SI's critique of 'the militant' is a key example of their self-questioning and self-criticism, which at its best can re-invigorate revolutionary struggle - both by helping comrades to re-evaluate their own practice, and by identifying what is wrong with those who call themselves revolutionaries but who are not.

The argument is that the way of life of 'the militant' is a role just as much as that of the 'cop, executive or rabbi'.<sup>3</sup> 'The militant's' supposedly revolutionary practices are in fact hackneyed and sterile, a set of

compulsive duties and rituals. Against the dull compulsion of duty, sacrifice and routine, the writings of the SI offered a vision of revolutionary practice as involving risk-taking, spontaneity, pleasure etc.: roles should be restored 'to the realm of play'.<sup>4</sup>

The role of 'the militant' can make 'politics' appear boring and unattractive to the outsider. But more importantly, the demands of the role are contradictory to the needs of the subject inhabiting that role. In the world of 'the militant', 'politics' is a separate realm from that of pleasure, adventure and self-expression. The role, as a form of alienated activity, feeds vampire-like on real life; it represents a disjunction between ends (communism as free creativity and love etc.) and means (stereotyped, constrained and ritualized methods). Hence the SI slogan 'boredom is always counter-revolutionary'.

Why does 'the militant' role occur? The answer of the SI and their followers was that the role of 'the militant' had a certain psychological appeal. It offers certainty and safety to 'the militant' herself. Most of us will have experienced how, when a struggle suddenly takes an unexpected turn (for example, the opportunity to occupy a building or get past the cops), the leftist 'militant' will hesitate or actively try to limit the situation. The role of 'the militant' creates a way of life, a routine, a structured mindset (guilt, duty etc.) such that change - including revolution itself - would be experienced as a threat to 'the militant's' sense of herself and her relation to the world.

Although we might perhaps sometimes recognize features of 'the militant' in ourselves and our comrades, those of us in the non-Leninist revolutionary milieu will characteristically share certain basic assumptions which distinguish us from the leftist 'militant'. We are not engaged in struggles to overthrow capitalism out of a sense of altruism, charity or self-sacrifice, but for ourselves as alienated proletarian beings, interdependent

<sup>1</sup> See R. Vienét (1968). *Enragés and Situationists in the Occupation Movement, France, May '68*. Autonomedia, New York/Rebel Press, London, 1992.

<sup>2</sup> Guy Debord (1967) *The Society of the Spectacle*, thesis 4. Black and Red, 1983

<sup>3</sup> Raoul Vaneigem (1967) *The Revolution of Everyday Life*, p. 139. London: Rebel Press/ Left Bank Books, 1994.

<sup>4</sup> *Ibid.*, p. 131.



with others in our class for our liberation. As Vaneigem puts it, 'I want to exchange nothing - not for a thing, not for the past, not for the future. I want to live intensely, for myself, grasping every pleasure firm in the knowledge that what is radically good for me will be good for everyone'.<sup>5</sup> Those on the left whose support for struggles elsewhere (whether in the 'Third World' or just for a group of local workers materially worse off than themselves) takes the place of their acknowledgement of and resistance to their own alienation might be said to not understand the nature of their own anti-capitalist impulses.

### The historical vagaries of pleasure-seeking

The name of Ken Knabb will be known to many readers as the translator and editor of the most comprehensive collection of SI writings published in English, the *Situationist International Anthology*.<sup>6</sup> *Public Secrets* comprises for the most part a collection of nearly all Knabb's writings and leaflets, going back to 1970. It therefore expresses the flavour of the self-analysing post-SI situationist scene in the 1970s.

Consistent with the rejection of the role of 'the militant' and compulsive hack-like activism, the Knabb book, as an account of the 'second wave' of situationists in the United States, is notable for its lack of references to the routine meetings and ongoing activism familiar to many of us. For example, when he had finished editing the *Situationist International Anthology*, instead of involving himself in another struggle, Knabb took up rock-climbing.<sup>7</sup>

This puts us in mind of a common criticism of Vaneigem's account of radical subjectivity: that it risks degenerating into bourgeois individualism. While it was a necessary attack on the sterility of the typical leftist approach during a period of upturn in interest in revolutionary ideas, how is it applied during times when the movement and its ideas are in retreat? Was Knabb burnt out after editing the *Anthology*, or were there really no struggles going on around him at that time in which he could usefully participate?

The revolutionary movement is so small today, and the threat of leftism so diminished, that it is easy to feel that pendulum of 'pleasure' versus commitment should swing the other way. To get even the most modest of activities going, it is sometimes all hands to the pump!

<sup>5</sup> Ibid., p. 116.

<sup>6</sup> Berkeley: Bureau of Public Secrets, 1981.

<sup>7</sup> (*Public Secrets* p. 142) One sees in Knabb's life-story a tendency to rationalize and politically justify his own personal interests. His own attraction to 'neo-religious trips', in particular Zen Buddhist practices, is turned into a question for all situationists and revolutionaries in his article 'The Realization and Suppression of Religion'. Luckily, this urge to politicize his hobbies didn't result in a text calling for the 'Realization and Suppression of Outdoor Pursuits'!

Those comrades who don't turn up to meetings, pickets and demonstrations aren't for the most part inventing new, more creative, consistent and pleasurable forms of resistance. Instead, they are expressing their critique of routine and mundane activism merely by staying in bed or going to the pub.

Of course, there have been some relatively effective struggles in recent years which have come to characterize themselves in many ways as the very antithesis of the mode of 'the militant'. For example, recall the defence of Claremont Road in the No M11 Link Road Campaign, when 'activism' for most people consisted for a large part in simply occupying the street and so presented the opportunity for regular parties and other forms of hedonism. However, the anti-work 'strategy' of lying in bed till late in the morning despite all the barricading etc. that some people argued needed to be done led to some embarrassment when bailiffs and hundreds of riot police turned up to evict three houses and just walked in to find the occupants still asleep. Another example is the street party associated with Reclaim the Streets (RTS) groups. It seems undeniable that RTS get loads of people to mass actions against capital's beloved car-culture by billing such events as a 'party'. But, as has been noted elsewhere, a tension exists in such street parties in that some participants are satisfied with just the party aspect rather than the 'political' point of the action.<sup>8</sup> In the Claremont Road case, many of us agreed that we needed to get beyond the guilt-tripping work ethic proposed by some of the hard-core barricaders. But its simple inverse was not a practical solution.

One of the sources for the situationists' rejection of compulsive 'militant' activism is thesis 220 of *The Society of Spectacle* where Debord contends that 'the critique which goes beyond the spectacle must know how to wait'. The SI's rejection of the 'compromises of reformism' or 'pseudo-revolutionary common actions' seemed justified only months later when a near-revolutionary situation developed apparently from nowhere. But May '68 and its aftermath both confirmed the SI's analysis and pointed to its limits. If the situationists were waiting for another '68-type explosion, what they got instead was the retreat of radical subjectivity in the face of the re-assertion of capital's dead objectivity. We may prefer 'life' to 'survival', but in the face of capital's current counter-attack - unforeseen by the SI - even the most radical subjects must sometimes orient their activity around surviving.

<sup>8</sup> For a critical appraisal of the London RTS/ 'Social Justice' event on 12 April this year, see the spoof news-sheet *Schnooze*, available from Brighton Autonomists, c/o Prior House, 6 Tilbury Place, Brighton BN2 2GY.



### Reduction of the political to the personal

The second wave of situationists, in particular, held that in the same way that we should give expression to our desires rather than suppress them - since it is our desires that are the motor of our struggle against alienation - so it is necessary to realize the political in the personal. This wasn't simply an attack on inconsistency in one's personal relations, but an argument that sorting yourself out could help you in your quest to sort out the world. The argument went: how can one criticize workers for not breaking with capital if not questioning one's own collusion in alienated personal relations?

Those who made this claim were adamant that it wasn't an argument for the revolutionary value of therapy, and that therapy was not some kind of solution. But they certainly made use of certain ideas from therapy by drawing on the work of Wilhelm Reich.<sup>9</sup> Reich's influence is evident both in Vaneigem's work and in the practices of Knabb and his sometime cohorts. *Public Secrets* includes a piece by Voyer, 'Reich: How to Use', which argues that character (in Reich's sense) is the form taken by the individual's complicity in the spectacle. To end this complicity, Knabb and others continued the SI's practice of breaking, sometimes using an individual's character as their rationale. In circulated letters announcing breaks, they detailed each other's limitations such as superficiality and pretentiousness, both in understanding the SI and in personal relations.

Breaking has a long history in the SI. As *What is Situationism?* reiterates tediously, the SI's origins lay in an art/anti-art movement. Arguably, then, as the SI moved beyond art/anti-art to a revolutionary position, breaking was a necessary part of defining itself: arty-types were seen as involved in a completely different project and hence had to be expelled. The book also relates how, following further breaks, by the early 1970s the SI comprised just three people. The SI finally appears ludicrous in its preciousness and self-absorption.<sup>10</sup>

The same can be said of the breaks taking place amongst the second-wave situationists described and documented by Knabb. However, the history of breaks in this case seems less excusable, since Knabb and his comrades were not part of an emerging movement in the first place, but merely a minor scene. Their principled breaking appears to have been seen by them as a measure

of their radicality. But the quest for 'authenticity', openness and honesty became important in its own right, and breaking became a compulsion. Defending the practice of breaking, Knabb says that the SI and their followers were doing 'nothing more than choosing their own company' (*Public Secrets*, p. 132). Well that's very nice for them, but in many struggles you can't choose who is on your side; you may have to act alongside people you don't like personally. Breaking helps draw clear lines, as Knabb says. But it comes across to us as self-indulgent purism, and the result is smaller and smaller groupuscules. What has that got to do with a revolutionary movement? Far from overcoming the personal/political dichotomy, what these post-SI situationists showed in totally politicizing their personal relations was that they themselves were the most obsessively one-sided politicians!

As illustrated in *Public Secrets*, the obsession with personal relations seems to have substituted itself for a proper concern with collective relations - how a group in struggle relates to the wider proletariat. Did all this meticulous navel-gazing at the level of personal relations really help those involved to engage more effectively in the class struggle as has been claimed? It would seem that those who indulged in this kind of self-analysis have not intervened any more effectively in the class struggle than the rest of us. It therefore comes as no surprise that SI-influence proponents of 'friendship strikes',<sup>11</sup> personal breaks and other forms of character analysis such as Knabb now look back upon this period with some regret and embarrassment (*Public Secrets*, p. 133).

### Knabb as a loyal situationist

Knabb went through the pre-hippy scene and anarchism before he discovered the writings of the SI. After Knabb had - in his own words - 'become a situationist' (p. vi), he and others produced 'On the Poverty of Hip Life' (1972), an analysis of what was valid in the hippy movement as well some of its profound limitations:

'If the hippie knew anything he knew that the revolutionary vision of the politicians didn't go far enough. Although the hip lifestyle was really only a reform movement of daily life, from his own vantage point the hippie could see that the politico had no

<sup>9</sup> Another, and in many ways better, text that tries to use the work of Reich to aid revolutionary politics is Maurice Brinton's *The Irrational in Politics*, Solidarity (1971).

<sup>10</sup> However, the SI's self-dissolution is not without merits.. The SI resisted the 'Leninist' temptation to 'recruit and grow' as an organization on the basis of the notoriety they had won since '68. Such a quantitative expansion would have covered up the qualitative crisis in the organization. However in ending it the way they did the last members collaborated in the growth of the legend of the SI. (See *The Veritable Split in the International* (1972) by G. Debord & G. Sanguinetti. London: BM Chronos, 1985.)

<sup>11</sup> Daniel Denevert had a quite prominent role in the 1970s situationist scene, detailed by Knabb (e.g., pp. 126-7, 129-31). They carried the 'pursuit of individual autonomy' and attacks on people's 'characterological' complicity within the spectacle to an extreme point before finally sending out 'a set of "Lettres sur l'amité" in which they discussed their recent experiences on the terrain of political and personal relationships and declared a "friendship strike" of indefinite duration' (Knabb, p. 136). We hear that Daniel Denevert did eventually give himself over to an even more isolated way of resisting this world, a way that opens one to 'one of modern society's increasingly sophisticated forms of control over people's lives': psychiatrists and mental hospitals.



practical critique of daily life (that he was "straight").'  
(*Public Secrets*, p. 177)

And yet, because hippies understood alienation as simply a matter of the wrong perception, their own innovations were easily recuperated as further roles, giving new life to the spectacle:

'But as culture such a critique only serves to preserve its object. The counterculture, since it fails to negate culture itself, can only substitute a new oppositional culture, a new content for the unchanging commodity form...' (Ibid., pp. 176-7).

However this early 70s stuff applying situationist critique to wider movements gives way by the mid 70s to increasingly introverted 'theorizing about theorizing'.<sup>12</sup> Two of the more recent pieces in the Knabb collection, 'The Joy of Revolution' and his interesting autobiography 'Confessions of a Mild-Mannered Enemy of the State' place pieces like these in context. Knabb's discovery of the SI's texts provided him with the basic theory which he stuck with and applied loyally for the rest of his life. There has been little subsequent development of the pioneering SI analyses, either by Knabb or anyone else. Debord himself, post 1968, was more concerned with his reputation than with developing new theory. Loyal followers of the SI seemed to live off past glories; carrying forward the authentic SI project seemed to them to be a matter of repeating the ideas rather than superseding them where necessary, as the SI superseded previous revolutionary theory.<sup>13</sup> Hence, Knabb's 'The Joy of Revolution' is not meant to be original; rather it is a somewhat didactic but readable introduction to the 'common sense' of non-hierarchical revolutionary theory, intended for readers not otherwise convinced. Although, within these terms, the article has its merits, some readers, like us, will find Knabb's

<sup>12</sup> 'This deliberate narrowing of the scope of critical inquiry marks a retreat from an historical plane of analysis... In the Knabbist cosmos, which is surprisingly impervious to historical change, the theorist becomes the "experiencing subject," who develops endlessly through a sequence of subjective "moments," arriving finally at the ultimate goal of "realization."' (*At Dusk: The Situationist Movement in Historical Perspective* by D. Jacobs & C. Winks, Berkeley, 1975). Knabb quotes this critique as part of his situ honesty. He could have made a more interesting and less narcissistic book by including longer extracts from the writings of other American situationists or - as with these authors - ex-situationists. For example, *Two Local Chapters in the Spectacle of Decomposition* and *On The Poverty of Berkeley Life* by Chris Shutes are two of the most interesting products of the American situationists.

<sup>13</sup> Of course, these second wave situationists thought that their focus on character etc. was indeed carrying theory and the revolution forward. This was part of their tendency to reduce revolution to essentially a problem of consciousness: their own consciousness.

treatment of democracy far too uncritical - another unchallenged inheritance of the SI.

If the ideas of the SI are more or less complete, as Knabb seems to believe, then the most important thing is to get them across. What is striking in Knabb's account of his activity is how much of it was text-centred.<sup>14</sup> his 'interventions' were mostly writings, posters and leaflets. Within this 'pedantic precision fetishism'<sup>15</sup> it was essential to Knabb to choose the correct words, even if this meant writing and re-writing his leaflets repeatedly till he got it right. Hence his short leaflet in response to the Gulf War took almost two months to write and wasn't distributed until the campaign against the war was almost over. Other documents in the collection express the same loyalty to the insights of the SI. Knabb's response to the LA riot of 1992 was not a fresh analysis, learning from the new expressions of anti-capitalist practice of the uprising. Instead, he issued a new translation of the classic SI text 'Watts 1965: The Decline and Fall of the Spectacle-Commodity Economy'!

The worst feature of Knabb's loyalty is his Debord-like lumping together of all the different critics of the SI. In 'The Blind Men and the Elephant', Knabb juxtaposes a number of critical quotations on the SI, not just from shallow bourgeois commentators, but also from revolutionaries. Among them is a critical comment from Barrot & Martin's *Eclipse and Re-Emergence of the Communist Movement*.<sup>16</sup> The inclusion of the quote demonstrates not Barrot & Martin's dogmatic refusal to comprehend, but Knabb's. Barrot's critique, expounded at length elsewhere, is, from a revolutionary perspective, perhaps the most useful critical analysis of the SI published to date.

### The critique of the SI

The Barrot article known to many readers as 'What is Situationism' is republished in *What is Situationism? A Reader* under its original title 'Critique of the Situationist International'.<sup>17</sup> Along with the article is a useful introductory piece by the translator which critically traces the SI's influences in the form of Socialism or

<sup>14</sup> For all the SI's interesting critique of 'roles' Knabb seems to have never broken from the role of 'the theorist'!

<sup>15</sup> *Re-Fuse: Further Dialectical Adventures into the Unknown* London: Combustion, 1978, p. 36 This is an interesting British situationist text but it should be noted the author stopped distributing this text in 1980 and does not necessarily hold to every opinion expressed within it.

<sup>16</sup> Detroit: Black & Red, 1974. A new edition of this important book is to be published soon.

<sup>17</sup> The title of the earlier pamphlet version of Barrot's article was in fact given to it by the publisher, though nowhere in it does Barrot use the term 'situationism' (see below).



Barbarism (*S ou B*),<sup>18</sup> as well as the currents which the SI neglected to its detriment - notably the Italian left.

The key point made by Barrot is that the analysis of the SI, as exemplified in Debord's *The Society of the Spectacle*, remains at the level of circulation, 'lacking the necessary moment of production, of productive labour' (*What is Situationism? A Reader*, p. 28). The great strength of the SI was to show how alienation existed not just in production but in 'everyday life', and hence in consumption. But, as Barrot suggests, the works of the SI leave the impression that a further analysis of production is unnecessary. In doing so, Debord 'reduces capitalism to its spectacular dimension alone' (*Ibid.*, p., 28). The spectacle is a sort of shorthand for all the social relations of contemporary capital. But it is not obvious from reading Debord's pithy exegesis quite how 'the spectacle' can cover and distinguish as many forms of production and circulation relations as does 'capital'. Hence, though it is sometimes presented as the modern *Capital*, *The Society of the Spectacle* falls short of this ambition.

However, if *The Society of the Spectacle* is not the modern *Capital*, let's admit that it is one of the few books that could make that claim with any expectation of it being believed. As Barrot puts it, the SI analysed the revolutionary problem

'starting out from a reflection on the surface of society. This is not to say that *The Society of the Spectacle* is superficial. Its contradiction and, ultimately, its theoretical and practical dead-end, is to have made a study of the profound, through and by means of superficial appearance. The SI had no analysis of capital: it understood it, but through its effects. It criticized the commodity, not capital - or rather, it criticized capital as commodity, and not as a system of valuation which includes production as well as exchange.' (*What is Situationism? A Reader*, p. 28.)

But there are other merits to *The Society of the Spectacle* - for example, its treatment of the historical workers' movement in 'The Proletariat as Subject and as Representation' is exceptional and its analysis of time and space adds to Marx. Barrot's overall critique is perhaps just a little too dismissive, but is possibly an understandable and necessary moment of reaction to the way *The Society of the Spectacle* has been treated by others.

Barrot notes that the SI's background in art/anti-art leaves its mark in their theory. They generalize from the anti-capitalist strengths of non-wage-earning social layers to labour in general, for example. He also observes that they borrowed *S ou B*'s councilism and democracy far too

uncritically. They were ignorant of the Italian left and hence of Bordiga's critique of councilism. As Bordiga argued, with its emphasis on forms of revolutionary organization and on workers' control, councilism neglects that the content can still be capitalist. Workers in control of their own work-place are still workers - are still alienated - if the work-place remains an enterprise and there is a separation between the work-place and the community.<sup>19</sup>

Finally we would agree with the translator that Barrot underestimates Vaneigem. For Barrot, 'Vaneigem was the weakest side of the SI, the one which reveals all its weaknesses. The positive utopia [which Vaneigem describes in *The Revolution of Everyday Life*] is revolutionary as demand, as tension, because it cannot be realized within this society: it becomes derisory when one tries to live it today'.<sup>20</sup> But that is exactly the point; *The Revolution of Everyday Life* is a revolutionary book because it connects to a tension between what one desires and knows as possible, but what cannot fully exist short of insurrection. That Vaneigem totally 'lost it' after the SI and that 'Vaneigemism' became more and more preposterous as capital responded to the upsurge in class struggle of the 60s and 70s with crisis and mass unemployment does not deny that there are still important insights in his book. There is also an irony in Barrot's critical attitude here. As mentioned above, it was Vaneigem who most cogently developed the critique of 'the militant'. The original foreword to *Eclipse and Re-Emergence of the Communist Movement* opens with a critique of 'the militant attitude' which echoes Vaneigem's argument almost exactly:

'The militant attitude is indeed counter-revolutionary, in so far as it splits the individual into two, separating his needs, his real individual and social needs, the reasons why he cannot stand the present world, from his action, his attempt to change this world. The militant refuses to admit that he is in fact revolutionary because he needs to change his own life as well as society in general. He represses the impulse which made him turn against society. He submits to revolutionary action as if it were external to him...' (p. 7)<sup>21</sup>

### The criticism of -isms

It is not incidental to understanding what the SI were about that they rejected the term 'situationism' and all who used it. The critique of '-isms' is well expressed by Vaneigem: 'The world of -isms ... is never anything but a world drained of reality, a terribly real seduction by

<sup>19</sup> All this is dealt with well in Barrot & Martin's *Eclipse and Re-Emergence of the Communist Movement*.

<sup>20</sup> *What is Situationism? A Reader*, p. 35.

<sup>21</sup> Barrot acknowledges the SI here but references *The Society of the Spectacle* rather than Vaneigem's book.

<sup>18</sup> For more on *S ou B* and indeed on the SI, see the article on 'Decadence' in *Aufheben* 3, Summer 1994.



falsehood'.<sup>22</sup> To make an -ism of a set of practices and their accompanying theory is to render them as an ideology. The rejection of -isms is part of the rediscovery of the anti-ideological current in the work of Marx, which *Marxism*, in becoming an ideology, has repressed.

It therefore seems no coincidence that the edited *Reader* uses this rejected term in its title.<sup>23</sup> It indicates where the editor locates himself in relation to the SI - as someone making a career out of snidely attacking them. This informs the selection of articles in the rest of the book. The only worthwhile piece apart from Barrot is 'The end of music', a critique of punk and reggae, by Dave and Stuart Wise.<sup>24</sup> The book was an opportunity for the editor to present to an English-speaking audience either as yet untranslated SI texts, other critiques of the situationists from within the revolutionary movement, or some of the largely unavailable 70s Anglophone situationist texts. Instead, most of the pieces are by academics and easily available elsewhere. The articles that have been slung together here mostly concern the SI's art heritage (the editor's own obsession) and are not worth reading.

#### The recurring question of the reception and recuperation of the SI

The vehement attacks on the 'pro-situ' followers of the SI was part of a conscious attempt to prevent the ideas of the SI becoming an -ism: to escape the ideologization of their insights. Of course these attempts have not been completely successful; but this is only to be expected. Within academia, the hegemony of the postmodernist situ-vampires is one example of this. The fact that such recuperation has taken place should lead loyal situationists like Knabb to be a bit more critical of his beloved theory. Some pro-situ French fans of Voyer held that the economy doesn't exist - that it is all just ideology!<sup>25</sup> This very 'postmodern' and very

preposterous notion was in this case then not developed by academic recuperators like Baudrillard, but by loyal situationists. Will Knabb now make the connection between the theory and its ideologization?

Why review these books? We didn't like *What is Situationism? A Reader*. We had reservations about the Knabb book, but felt it illustrated something about the post-SI situationist scene. The books' publication is evidence of the continued interest in the SI, and the SI must be counted as a basic reference point for any future revolutionary movement. The SI's powerful critique of the revolutionary herself may have degenerated in the period of counter-revolution into a dead-end addiction to navel-gazing; but this cannot obscure the continued necessity of engaging with their arguments. Despite the attention the SI receives, and the attempts over the years by various toss-pots to claim them for modern art or cultural studies, the SI remains in some sense irrecoverable. The continued attempts by organized knowledge either to dismiss or co-opt the SI<sup>26</sup> itself provides evidence of the enduring antagonism of their ideas, as does the conscious echo of their approach in a number of contemporary struggles.



<sup>22</sup> *The Revolution of Everyday Life*, p. 24.

<sup>23</sup> It's not that the insights of the SI completely escaped being turned into an ideology (see below), nor are we accepting Debord and Sanguinetti's all too easy dismissal of such ideologization as 'pro-situ' and thus 'nothing to do with us'. On the basis of *The Veritable Split* some loyal situationists have been ideologically against 'situationism' just as some have been militantly anti-militant. The issue is not about whether one should use the term 'situationism' or not, but about whether one can use the SI's ideas for revolutionary purposes. As *The Veritable Split*, itself expresses it, 'it is not ... a question of the theory of the SI but of the theory of the proletariat' (p. 14).

<sup>24</sup> In his Introduction, the editor describes the authors as 'entrepreneurs' whose article helped make SI ideas into 'a saleable commodity' (p. 1). This claim is contradicted in the *Reader* itself by the account of how the text was never published by its authors but distributed in typescript form among a few people mainly in the Leeds area. A Glasgow group then produced it as a pamphlet and now the editor uses it alongside Barrot's piece to spice up an otherwise bankrupt product.

<sup>25</sup> See *Re-Fuse* p. 39

<sup>26</sup> The attempts at academic criticism and co-option following the death of Debord in 1994 are detailed by T.J. Clark & Donald Nicholson-Smith in their article 'Why art can't kill the Situationist International' in the art journal(!) *October*, 1997.



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## Aufheben

(past tense: *hob auf*; p.p. *aufgehoben*; noun: *Aufhebung*)

*Aufheben* has no English equivalent. In popular German it normally has two main meanings which are in opposition. One is negative: 'to abolish', 'to annul', 'to cancel' etc. The other is positive: 'to supersede', 'to transcend'. Hegel exploited this duality of meaning and used the word to describe the positive-negative action whereby a higher form of thought or nature supersedes a lower form, while at the same time 'preserving' its 'moments of truth'. The proletariat's revolutionary negation of capitalism, communism, is an instance of this positive-negative movement of supersession, as is its theoretical realization in Marx's method of critique.



